

**CITY OF SANTA BARBARA
CITY COUNCIL**

Cathy Murillo
Mayor

Oscar Gutierrez
Mayor Pro Tempore

Mike Jordan
Ordinance Committee Chair

Eric Friedman
Finance Committee Chair

Alejandra Gutierrez
Meagan Harmon
Kristen W. Sneddon



Rebecca Bjork
Interim City Administrator

Ariel Pierre Calonne
City Attorney

City Hall
735 Anacapa Street
<http://www.SantaBarbaraCA.gov>

**SEPTEMBER 28, 2021, 2:00 PM
AGENDA**

IN ORDER TO PROMOTE SOCIAL DISTANCING AND PRIORITIZE THE PUBLIC'S HEALTH AND WELL-BEING, THE GOVERNOR OF THE STATE OF CALIFORNIA ISSUED EXECUTIVE ORDER N-29-20, WHICH ALLOWS THE CITY COUNCIL TO HOLD MEETINGS VIA TELECONFERENCES OR OTHER ELECTRONIC MEETING FORMAT WHILE STILL MEETING THE STATE'S OPEN AND PUBLIC MEETING REQUIREMENTS. AS A PUBLIC HEALTH AND SAFETY PRECAUTION, THE COUNCIL CHAMBERS WILL NOT BE OPEN TO THE GENERAL PUBLIC. COUNCILMEMBERS MAY PARTICIPATE ELECTRONICALLY. THE CITY OF SANTA BARBARA STRONGLY ENCOURAGES AND WELCOMES PUBLIC PARTICIPATION DURING THIS TIME. PUBLIC PARTICIPATION IS AVAILABLE THROUGH THE FOLLOWING OPTIONS:

TELEVISION COVERAGE: Each regular City Council meeting is broadcast live in English and Spanish on City TV Channel 18 and rebroadcast in English on Wednesdays and Thursdays at 7:00 p.m. and Saturdays at 9:00 a.m., and in Spanish on Sundays at 4:00 p.m. Each televised Council meeting is closed captioned for the hearing impaired. Check the City TV program guide at www.santabarbaraca.gov/citytv for rebroadcasts of Finance and Ordinance Committee meetings, and for any changes to the replay schedule.

ONLINE STREAMING: Council meetings are streamed live at www.SantaBarbaraCA.gov/CAP

ELECTRONIC PARTICIPATION: Register to Join Meeting Electronically at:
<https://attendee.gotowebinar.com/register/7527099791340500235>

WEBINAR ID: 486-681-195

To register, please use the Chrome, Firefox, or Safari browsers for the meeting. The Internet Explorer browser is not supported by the software.

After registering, you will receive a confirmation email containing information about joining the webinar. You will be connected to audio using your computer's microphone and speakers (VoIP). A headset is recommended. You can also select the option to use your telephone, but you must use the Go To Webinar software to interact with the meeting. Select "Use Telephone" after joining the webinar in order to use your telephone. Oral comments during a meeting may be made by electronic participation only. If you have technical questions about the webinar, please go to: <https://support.goto.com/webinar>, or call the **Technical Support Phone Number (805) 617-7080**. To see what **Accessibility Features** are available in GoToWebinar, please visit <https://support.goto.com/webinar/help/what-accessibility-features-are-available-in-gotowebinar>.

WRITTEN PUBLIC COMMENT: Public comments may also be submitted via email to Clerk@SantaBarbaraCA.gov prior to the beginning of the Council Meeting. All public comments submitted via email will be provided to City Council and will become part of the public record.

CONTINUED ON THE NEXT PAGE

PUBLIC COMMENT: Public comment on matters not listed on the agenda will occur at the beginning of the meeting. Members of the public wishing to speak must “raise their hand” in the GoToWebinar platform by selecting the virtual hand icon during the presentation of that item. When persons are called on to speak, their microphone will be activated by City staff and the speaker will be notified that they can now unmute themselves in order to begin speaking. The speaker will then need to unmute themselves by selecting the ‘mute/unmute’ icon or pressing Ctrl+Alt+A on their keyboard.

For those who need accessibility accommodation in using the “raise hand” function and/or registering to participate in the GoToWebinar session, please contact the Clerk’s office by 5:00 p.m. the day before the meeting for assistance. Additionally, a speaker may email Clerk@SantaBarbaraCA.gov by 5:00 p.m. the day before a meeting, stating which item they wish to speak on. When persons are called on to speak, their microphone will be activated the speaker will be notified by City staff that they can now unmute themselves in order to begin speaking. The speaker will then need to unmute themselves by selecting the ‘mute/unmute’ icon or pressing Ctrl+Alt+A on their keyboard.

Each speaker will be given a total of 3 minutes to address the Council. Pooling of time is not allowed during general public comment. The time allotted for general public comment at the beginning of the 2:00 p.m. session is 30 minutes. The City Council, upon majority vote, may decline to hear a speaker on the grounds that the subject matter is beyond the City’s subject matter jurisdiction.

PUBLIC COMMENT ON AGENDIZED ITEMS: Members of the public wishing to speak on a matter on the agenda must “raise their hand” in the GoToWebinar platform by selecting the virtual hand icon during the presentation of that item. The “raise hand” icon is generally located on most devices in the upper right hand corner of the screen. For those who need accessibility accommodation in using the “raise hand” function, please contact the Clerk’s office by 5:00 p.m. the day before the meeting for assistance. Additionally, a speaker may email Clerk@SantaBarbaraCA.gov by 5:00 p.m. the day before a meeting, stating which item they wish to speak on. When persons are called on to speak, their microphone will be activated and they will be notified to begin speaking. Each speaker will be given a total of 3 minutes to address the Council. Pooling of time is not permitted during meetings conducted electronically.

ORDER OF BUSINESS: Regular meetings of the Finance Committee and the Ordinance Committee begin at 12:30 p.m. The regular City Council meeting begins at 2:00 p.m. in the Council Chamber at City Hall.

REPORTS: Copies of the reports relating to agenda items are available for review at <http://www.SantaBarbaraCA.gov/CAP>. In accordance with state law requirements, this agenda generally contains only a brief general description of each item of business to be transacted or discussed at the meeting. Should you wish more detailed information regarding any particular agenda item, you are encouraged to obtain a copy of the Council Agenda Report (a “CAR”) online at the City’s website (<http://www.SantaBarbaraCA.gov/CAP>). Materials related to an item on this agenda submitted to the City Council after distribution of the agenda packet are posted to the City’s website as soon as reasonably feasible.

CONSENT CALENDAR: The Consent Calendar is comprised of items that will not usually require discussion by the City Council. A Consent Calendar item is open for discussion by the City Council upon request of a Councilmember, City staff, or member of the public. Items on the Consent Calendar may be approved by a single motion. Should you wish to comment on an item listed on the Consent Agenda, after turning in your “Request to Speak” form, you should come forward to speak at the time the Council considers the Consent Calendar.

SPANISH INTERPRETATION: If you need interpretation of your communications to Council from Spanish into English, please contact the City Clerk’s Office at 564-5309 or by email at Clerk@SantaBarbaraCA.gov. If possible, notification of at least 48 hours will usually enable the City to make arrangements.

INTERPRETACIÓN EN ESPAÑOL: Si necesita una interpretación del español al inglés, para sus comunicaciones al Consejo, comuníquese con la Oficina del Secretario Municipal al 564-5309, o por correo electrónico a Clerk@SantaBarbaraCA.gov. Si es posible, la notificación de al menos 48 horas generalmente permitirá a la Ciudad hacer los arreglos.

AMERICANS WITH DISABILITIES ACT: If you need auxiliary aids or services or staff assistance to attend or participate in this meeting, please contact the City Administrator’s Office at 564-5305 or by email at Clerk@SantaBarbaraCA.gov. If possible, notification at least 48 hours prior to the meeting will usually enable the City to make reasonable arrangements. Specialized services, such as sign language interpretation or documents in Braille, may require additional lead time to arrange.

SEPTEMBER 28, 2021 AGENDA

ORDER OF BUSINESS

12:30 p.m. - Ordinance Committee Meeting, Council Chamber

ELECTRONIC PARTICIPATION: Register to Join Meeting Electronically at:

Registration

<https://attendee.gotowebinar.com/register/8071457003108291599>

Webinar ID: 908-247-011

2:00 p.m. - City Council Meeting

ELECTRONIC PARTICIPATION: Register to Join Meeting Electronically at:

Registration URL

<https://attendee.gotowebinar.com/register/7527099791340500235>

Webinar ID

486-681-195

**ORDINANCE COMMITTEE MEETING - 12:30 P.M. IN THE COUNCIL CHAMBER
(120.03)**

**Subject: Approval Of Municipal Code Amendments And A Memorandum
Of Understanding With The County Of Santa Barbara Environmental
Health Services For Septic Tank Regulations (120.03)**

Recommendation: That Ordinance Committee:

- A. Recommend that City Council introduce and subsequently adopt, by reading of title only, an Ordinance of the Council of the City of Santa Barbara amending Santa Barbara Municipal Code Chapter 14.48 by the repeal of Sections 14.48.180 through 14.48.220, inclusive, and Chapter 22.04 by the addition of Section 22.04.031 relating to on-site wastewater treatment systems; and
- B. Recommend that City Council enter into a memorandum of understanding with the Santa Barbara County Environmental Health Services delegating permitting authority of on-site wastewater treatment systems.

REGULAR CITY COUNCIL MEETING – 2:00 P.M.

CALL TO ORDER

PLEDGE OF ALLEGIANCE

ROLL CALL

CEREMONIAL ITEMS

- 1. Subject: Hispanic & Latin American Heritage Month, September 15 - October 15, 2021 (120.04)**

CHANGES TO THE AGENDA

PUBLIC COMMENT

CONSENT CALENDAR

- 2. Subject: Adoption Of Resolution For Records Destruction For Finance Department (210.01)**

Recommendation: That Council adopt, by reading of title only, a Resolution of the Council of the City of Santa Barbara Relating to the Destruction of Records Held by the Finance Department in the Accounting, Administration, General Services, Risk Management, and Treasury Divisions.

- 3. Subject: Resolution Approving Conduit Financing Of Revenue Bonds For HumanGood (610.04)**

Recommendation: That Council adopt, by reading of title only, a Resolution of the Council of the City of Santa Barbara Approving the Issuance of the California Municipal Finance Authority Revenue Bonds, Series 2021 (HumanGood) in an Aggregate Principal Amount Not to Exceed \$150,000,000 for the Purpose of Financing the Construction, Furnishing, and Equipping of Valle Verde and Certain Other Matters Relating Thereto.

4. Subject: August 2021 Investment Report (260.02)

Recommendation: That Council accept the August 2021 Investment Report.

5. Subject: Increase Contract For Design Of Waterfront Ice House Refurbishment (570.03)

Recommendation: That Council authorize the Waterfront Director to increase a Professional Services Agreement with Kruger Bensen Ziemer Architects, Inc. (KBZ) in the amount of \$36,800 for a total contract amount of \$135,465 for design services, completion of construction drawings and permitting for the refurbishment of the Waterfront Ice House equipment.

6. Subject: Professional Services Contract For Capacity Charges And Wastewater Rates Study (540.13)

Recommendation: That Council authorize the Public Works Director to execute a City Professional Services contract with HDR Engineering, Inc., in the amount of \$105,995 for the Wastewater Rate and Capacity Charges Studies, and authorize the Public Works Director to approve expenditures of up to \$10,600 for extra services that may result from necessary changes in the scope of work.

7. Subject: Amendment Of Agreement With IN-TER-SPACE Services, Inc. DBA Clear Channel Airports For An Advertising Concession At Santa Barbara Airport (560.01)

Recommendation: That Council approve and authorize the Airport Director to amend Agreement #25,704 with IN-TER-SPACE Services, Inc. to add a month-to-month holdover provision, with a minimum six-month holdover, to the Agreement which otherwise is due to expire on September 30, 2021.

This concludes the Consent Calendar.

REPORT FROM THE ORDINANCE COMMITTEE

CITY COUNCIL ADMINISTRATIVE AND ATTORNEY REPORTS

WATERFRONT DEPARTMENT

8. Subject: Waterfront West Beach Permit Program, And Proposed Waiver Of Permit Fee For Coastal Chumash Tomol Canoe (570.03)

Recommendation: That Council:

- A. Receive and comment upon this Report; and
- B. Authorize the Waterfront Director to waive the West Beach Storage Permit fee of \$275 per year for the Coastal Chumash Community to store a single wooden Tomol Canoe in the West Beach Storage area.

CITY ATTORNEY

9. Subject: Mobilehome Park Vacancy Rent Control (640.04)

Recommendation: That Council introduce and subsequently adopt, by reading of title only, an Ordinance of the Council of the City of Santa Barbara Amending Santa Barbara Municipal Code Sections 26.08.050, 26.08.060 and 26.08.080 to Control Mobilehome and Recreational Vehicle Park Rent Increases Upon Transfer of Ownership.

COUNCIL AND STAFF COMMUNICATIONS

COUNCILMEMBER COMMITTEE ASSIGNMENT REPORTS

PUBLIC COMMENT (IF NECESSARY)

ADJOURNMENT

CITY OF SANTA BARBARA

ORDINANCE COMMITTEE MEETING

MEETING AGENDA

DATE: September 28, 2021
TIME: 12:30 p.m.
PLACE: Council Chambers

Mike Jordan, Chair
Oscar Gutierrez
Kristen Sneddon

Office of the City
Administrator

Office of the City
Attorney

Nicole Grisanti
Supervisor, City Administrator's Office

Ariel Pierre Calonne
City Attorney

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ITEMS FOR CONSIDERATION

SUBJECT: Approval Of Municipal Code Amendments And A Memorandum Of Understanding With The County Of Santa Barbara Environmental Health Services For Septic Tank Regulations

RECOMMENDATION: That the Ordinance Committee:

- A. Recommend that City Council introduce and subsequently adopt, by reading of title only, an Ordinance of the Council of the City of Santa Barbara amending Santa Barbara Municipal Code Chapter 14.48 by the repeal of Sections 14.48.180 through 14.48.220, inclusive, and Chapter 22.04 by the addition of Section 22.04.031 relating to on-site wastewater treatment systems; and
- B. Recommend that City Council enter into a memorandum of understanding with the Santa Barbara County Environmental Health Services delegating permitting authority of on-site wastewater treatment systems.



CITY OF SANTA BARBARA

ORDINANCE COMMITTEE AGENDA REPORT

AGENDA DATE: September 28, 2021

TO: Ordinance Committee Members

FROM: Building and Safety Division, Community Development Department

SUBJECT: Approval Of Municipal Code Amendments And A Memorandum Of Understanding With The County Of Santa Barbara Environmental Health Services For Septic Tank Regulations

RECOMMENDATION: That Ordinance Committee:

- A. Recommend that City Council introduce and subsequently adopt, by reading of title only, an Ordinance of the Council of the City of Santa Barbara amending Santa Barbara Municipal Code Chapter 14.48 by the repeal of Sections 14.48.180 through 14.48.220, inclusive, and Chapter 22.04 by the addition of Section 22.04.031 relating to on-site wastewater treatment systems; and
- B. Recommend that City Council enter into a memorandum of understanding with the Santa Barbara County Environmental Health Services delegating permitting authority of on-site wastewater treatment systems.

DISCUSSION:

In 2015, Building and Safety and Public Works staff met to develop a shared understanding of the on-site wastewater treatment system (OWTS)¹ program in the City and to establish summary findings and options for addressing impacts of these systems. In the summer of 2015, it was discovered that the City was not following the 2012 State OWTS law, and staff found no record that actions had been taken to meet the approved 2012 standards. In order to gain compliance until a long-term solution was established, the City directed all City OWTS permit customers to the San Luis Obispo Regional Water Quality Control Board (RWQCB) office for confirmation of compliance with 2012 State OWTS standards. Under this arrangement, RWQCB has approved the design of the system and the City of Santa Barbara's Building and Safety Division issues a plumbing permit for the inspection of the OWTS installation.

¹ A septic system is a common form of an on-site wastewater treatment system

County and State OWTS experts informed staff that due to the unique soil types and available lot areas of less than one acre, continued use of the current permitting process will render some City parcel owners incapable of repairing or installing an OWTS. Upon receiving this information, City staff began meeting with staff from Santa Barbara County Environmental Health Services and Regional Water Quality Control Board in San Luis Obispo to discuss options for a long-term compliance strategy.

Brief Background

The current OWTS standards, approved by Resolution 2012-0032 in 2012, went into effect in May of 2013. The 2012 State OWTS standards allow local OWTS permitting agencies to establish a Local Agency Management Plan (LAMP), which enables local municipalities to enforce OWTS standards that are different from the 2012 State OWTS. Under this provision, the Santa Barbara County Environmental Health Service's office began stakeholder outreach and development of a LAMP in 2013. RWQCB granted approval of the SBCEHS final LAMP application in November of 2015. Santa Barbara County's current LAMP allows for a specially engineered system, provided that it meets the State's standards for maximum discharge limits. Specially engineered systems can be utilized by property owners who cannot comply with the State-prescribed system design.

Summary of Findings

- Compliance with the State model OWTS standards is mandatory and took effect in May of 2013.
 - 1. The new standards affect the following OWTS customers in the city
 - New septic system installations
 - "Major repair" of an existing septic system (failing tank, clogged leach lines, etc.)
 - 2. The new standards allow for the following compliance approaches for new and "major repair" OWTS permits
 - Meet the 2012 State OWTS Tier 1 Requirements
 - Meet RWQCB-approved LAMP Tier 2 Requirements
 - Use our local OWTS until 2017—provided that our local OWTS standards meet the RWQCB's regional Basin Plan for limiting and monitoring the total maximum daily load of pollution discharge
 - We have been advised that the City's current standards DO NOT meet the RWQCB's Basin Plan for limiting and monitoring the total maximum daily load of pollution discharge
- 785 parcels in the City are not currently connected to public sewers.

- Some new system and “Major Repair” customers in Areas 7–11 of the Wastewater Collection System Master Plan, while not able to meet the 2012 State OWTS standards, do meet County EHS Tier 2 standards.

Due to the regulatory complexity and technical expertise needed to enforce a State-compliant OWTS program, it is recommended that the City enter into a memorandum of understanding (MOU) with the Santa Barbara County EHS office. An amendment to the Municipal Code is necessary to implement the MOU.

The proposed ordinance will amend the Municipal Code by repealing the City’s existing regulations for OWTS and replacing them by the adoption by reference of provisions of Article 1 of Chapter 18C of “The Code of the County of Santa Barbara, California” except Sections 18C-8 and 18C-10, subject to certain amendments necessary to make the provisions enforceable within the City. Adoption by reference of these provision of the County Code and enforcement through the MOU will bring the City’s OWTS program into compliance with State law.

Staff recommends that the Ordinance Committee forward the Ordinance to the City Council for introduction and subsequent adoption . If forwarded, the Ordinance will be presented to City Council first for introduction on October 14, 2021. After introduction, the ordinance will be noticed for a public hearing in accordance with statutory provisions for the adoption of a code by reference. This is the same process that is used for adoption of the California Building Codes. The public hearing and adoption of the ordinance would be schedule for November 9, 2021. If approved by City Council on this schedule, this Ordinance will go into effect on December 10, 2021.

ATTACHMENTS:

1. City’s Wastewater Collection System Master Plan Septic Area Map
2. MOU between the County of Santa Barbara and the City of Santa Barbara Regarding On-Site Wastewater Treatment Systems
3. Draft Ordinance

PREPARED BY: Tina Dye, Chief Building Official

SUBMITTED BY: Elias Isaacson, Community Development Director

APPROVED BY: City Administrator’s Office

Legend

●

Septic Service

Area 1

Area 2

Area 3

Area 4

Area 5

Area 6

Area 7

Area 8

Area 9

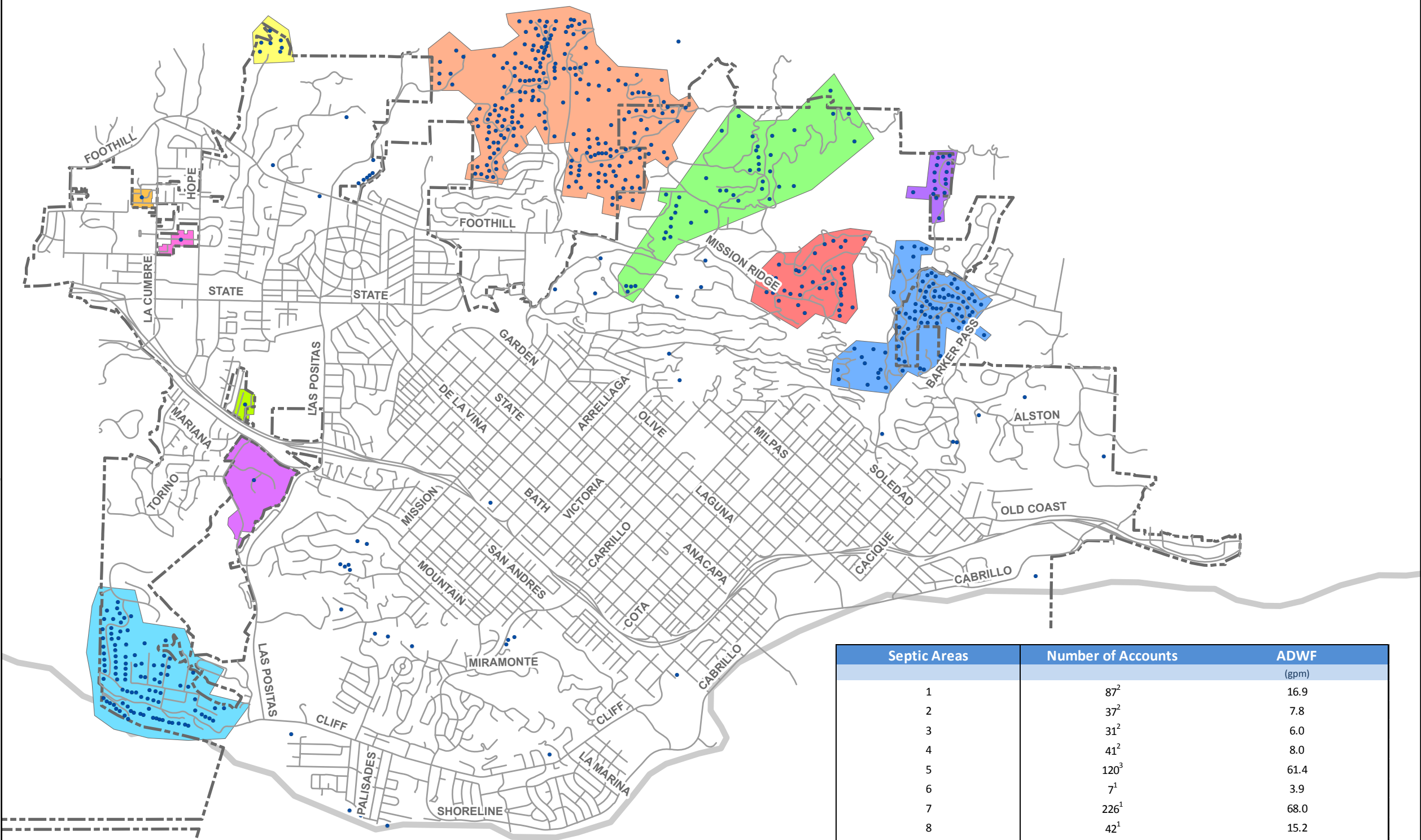
Area 10

Area 11

Street Centerlines

City Limits

Santa Barbara County Line



Septic Areas	Number of Accounts	ADWF
		(gpm)
1	87 ²	16.9
2	37 ²	7.8
3	31 ²	6.0
4	41 ²	8.0
5	120 ³	61.4
6	7 ¹	3.9
7	226 ¹	68.0
8	42 ¹	15.2
9	41 ¹	15.6
10	16 ¹	3.5
11	90 ¹	22.0
Other	47 ¹	19.9
Total	785	248.2

Notes:

1. Based on database (Septic.dbf) as obtained from city on 9/29/08.

2. Based on Sewer Extension Conceptual Design Study by Pennfield and Smith: 2009 as obtained from city on 6/16/09.

3. Based on Braemar Ranch Sewer Extension Feasibility Report by Pennfield and Smith: January 2007 as obtained from city on 7/1/09.

4. Based on City Criteria: 280 gpd/unit flow factor for residential and 2,000 gpd/acre for commercial.

7/6/2009



0 0.25 0.5 1 Mile

Updated: August 18, 2010

File Name: SB_Fig2-8_081810 File Location: [P]: XGIS/Projects/SantaBarbara/WWCSMP/Chapter_2

Figure 2.8

Septic Areas

Wastewater Collection System

Master Plan

City of Santa Barbara



**MEMORANDUM OF UNDERSTANDING
BETWEEN
THE COUNTY OF SANTA BARBARA
AND
THE CITY OF SANTA BARBARA**

REGARDING ONSITE WASTEWATER TREATMENT SYSTEMS

EFFECTIVE DATE: _____

WHEREAS, pursuant to Chapter 4.5 (commencing with Section 13290) of Division 7 of the California Water Code, the State Water Resources Control Board has adopted the Water Quality Control Plan for Siting, Design, Operation, and Maintenance of Onsite Wastewater Treatment Systems (OWTS Policy).

WHEREAS, the OWTS Policy establishes a waiver of Waste Discharge Requirement permits for OWTS systems meeting the criteria of the OWTS Policy.

WHEREAS, the OWTS Policy establishes low risk siting and design requirements for OWTS subject to the OWTS Policy and authorizes local agencies to submit a Local Agency Management Program (LAMP) to the Regional Water Quality Control Board for approval of alternate methods of siting and design to achieve the same purpose.

WHEREAS, the County of Santa Barbara, Environmental Health Services (EHS) operates a program for the approval of the siting, design, operation and maintenance of OWTS for individual residences and has adequate staffing and technical knowledge to meet the requirements of the OWTS Policy.

WHEREAS, the County of Santa Barbara (County) has submitted and obtained approval of a LAMP in accordance with the OWTS Policy.

WHEREAS, the County's LAMP states, "The provisions of this LAMP will apply to the unincorporated areas of Santa Barbara County. It will not be implemented within the incorporated cities unless there is an agreement approved by the County and the City extending the authority of EHS to within the City's jurisdiction."

WHEREAS, the County has authority to implement the LAMP within the unincorporated areas and those local jurisdictions that enter into an agreement with the County (Cal. Health and Safety Code 101400).

WHEREAS, the City of Santa Barbara (City) has existing OWTS and areas without access to a public sewer system.

WHEREAS, the City has adopted by reference the provisions of Chapter 18C of the County Code of Ordinances to regulate OWTS within the City.

THEREFORE, THE COUNTY AND THE CITY AGREE AS FOLLOWS:

I. DESIGNATION AND AGREEMENT

1. The City designates the County as the qualified Local Agency, and the County accepts the designation, for the implementation of the County's approved LAMP for the siting, design, operation, and maintenance of certain OWTS within the City's incorporated area as set forth herein.
2. The County and City agree that the requirements of the LAMP, Chapter 18C of the County Code of Ordinances as adopted and amended pursuant to Chapter 22.04 of the Santa Barbara Municipal Code, OWTS Policy, and the California Plumbing Code will govern the applicable siting, design, operation, and maintenance of OWTS within the City.
3. The MOU shall be effective from the effective date hereof and shall continue in effect until either party (City or County) gives a written Notice of Termination to the other. Unless mutually agreed upon, the Notice of Termination of this MOU cannot occur in less than 90 days from the actual termination of the services agreed to herein.

II. APPLICABILITY

1. OWTS subject to this agreement shall consist of those OWTS that generate 10,000 gallons per day or less of domestic wastewater (as that term is defined in the OWTS Policy), that dispose of wastewater below the ground surface, that is generated from single family residences, multi-family residences, commercial buildings where the wastewater is from domestic sources (i.e., toilets, urinals, bathtubs, showers, dishwashing facilities, laundry washing, and garbage disposals), buildings which are a combination of commercial and residential, and commercial food service buildings with a wastewater with a Biological Oxygen Demand (BOD) of 900 mg/L or less and a properly functioning grease interceptor.
2. This MOU shall not apply to OWTS within the incorporated area of the City that involve the any of the following:
 - a) Generate more than 10,000 gallons per day,
 - b) Discharge high strength wastewater, other than commercial food service buildings meeting the above requirements,
 - c) Are commercial food service buildings that don't meet the above requirements,
 - d) Generate industrial wastewater,
 - e) Accept wastewater from Recreational Vehicles,
 - f) Utilize methods to dispose of wastewater above ground,
 - g) Treat and reuse wastewater onsite for non-potable uses.

III. GENERAL PROVISIONS

COUNTY RESPONSIBILITIES

1. The County will notify the appropriate Regional Water Quality Control Board that the City has entered an agreement to be regulated under the County's LAMP. The powers and duties of the County as the administrative authority shall be as outlined in Chapter 18C-11 of the County Code of Ordinances.

2. The County will review all applications for new, replacement or repair of OWTS for siting and design, and issue permits as authorized by Chapter 18C-4 of the County Code of Ordinances.
3. The County, as the administrative authority, will review projects and shall concur prior to issuance of City development permit applications for building permits where an OWTS is present on the property. The County will evaluate whether the proposed construction will impact the OWTS. Projects subject to County review will include proposed construction of appurtenances, changes of use, additional or expanded structures, or a proposed accessory dwelling unit that would by design:
 - Potentially increase wastewater flows,
 - Change the strength of the wastewater,
 - Impinge upon required setbacks of the OWTS, any of its components, or the required 100% future expansion area.
4. Upon project review by the County, if the building project does not require an OWTS permit under Chapter 18C-4 of the County Code of Ordinances, the County shall provide the owner of the property, City, and/or his/her representative with building permit project concurrence, a list of corrections needed to proceed with the building permit application, or a detailed reason why the County cannot provide concurrence for issuance of a City building permit as proposed. Projects that the County determines may impact ground or surface water may be referred to the Regional Water Quality Control Board to obtain a Waste Discharge Requirement permit.
5. The County shall establish fees and recover costs for services from project applicants within the City in the amount as established by the County Board of Supervisors to fully recover costs of these permitting, inspection, and review services for OWTS.
6. The County will maintain an inventory of all OWTS permitted within the City's incorporated area including OWTS Policy Tier, depth to groundwater, setback information, and whether a non-conventional onsite wastewater treatment system was required.
7. The County will require an evaluation by a qualified professional of all systems which are determined to be exhibiting signs of failing. The County will issue compliance orders to owners of OWTS when a qualified professional determines the system needs replacement or repair.
8. The County may issue an operating permit to all new OWTS as provided by this MOU. The County will maintain a database of all new OWTS, including when the system was serviced by a service technician and the results of any effluent testing performed by a California certified laboratory, as required by the LAMP.
9. The County will register all Sewage Pumper Trucks that service OWTS within the City's jurisdiction (Cal. Health and Safety Code 117400-117450).

10. The County will complete and submit an annual report to the Regional Water Quality Control Board by February 1 of each year detailing the number, location, and description of permits issued for OWTS within the City where a variance is granted and assess the impact of OWTS discharges based on analysis of water quality data, complaints, inspection results, monitoring data, and failures. Other data outlined in the OWTS Policy, Section 9.3.2 will be reviewed if available.
11. The County may refer to the City for legal enforcement, any violation of the City's ordinance where the property owner has failed to comply with the written directives of the County Health Officer or his/her authorized deputy.
12. The County may refer any property owner whose permit for a new OWTS is suspended or revoked for failure to comply with the directives of the Health Officer to the Regional Water Quality Control Board to obtain a Waste Discharge Requirement permit.

CITY RESPONSIBILITIES

13. The City will provide the County with a list of all parcels within the City's jurisdiction that have no connection to the public sewer within 120 days of the effective date of this MOU.
14. The City will notify the County when an existing OWTS was destroyed or decommissioned and connected to the public sewer.
15. The City shall notify the County whenever a new building with an OWTS is issued a Certificate of Occupancy.
16. The City shall refer to the County any building permit application for a new building, remodel of an existing building, repair of an existing OWTS, or construction of any building or permanent structure which may impinge upon an OWTS or future expansion area. The City shall not issue a building permit for a project referred to the County unless plans are first concurred with by the County.
17. The City shall require a property owner to submit a Waste Discharge Report (WDR) issued by the Regional Water Quality Control Board for any OWTS project that does not meet the requirements identified in Section III of this MOU.
18. The City shall refer to the County any complaint alleging an OWTS is failing. The City shall indicate whether the City desires to conduct a joint investigation of the complaint.
19. The City shall investigate any complaint alleging construction of an OWTS or modification of an existing OWTS without obtaining the appropriate permits.
20. The City shall provide legal enforcement for any property owner who fails to comply with the City's ordinance and written directives issued by the Health Officer or his/her authorized deputy.

21. The City, upon cancellation of this MOU, shall comply with the Tier 1 requirements in the State OWTS Policy until the Regional Water Quality Control Board has approved a LAMP authorizing the City to use alternative requirements. If as a result of termination of this MOU the Regional Water Quality Control Board determines that a WDR is required for existing OWTS, the City shall be responsible for issuing a notice to the owner of each property where an OWTS is installed within their jurisdiction directing the owner to obtain a WDR.
22. The City shall provide the County with any surface or groundwater quality monitoring data collected by the City as part of its National Pollutant Discharge Elimination System (NPDES) Permit requirements, a City operated water utility, or other monitoring program upon request.

IV. SEVERABILITY

1. The City may terminate this MOU, with or without cause, upon ninety (90) days written notice to the County.
2. The County may terminate this MOU, with or without cause, upon ninety (90) days written notice from the director of environmental health services to the City.
3. Upon the effective date of the termination, the City shall become responsible for enforcement of the State OWTS Policy within its jurisdiction.
4. In addition to the above, in the event that the State Water Board adopts new regulations regarding OWTS, the County may, at its discretion terminate this MOU upon the effective date of the new regulations. The City and the County, at their mutual agreement, may negotiate and adopt an amendment to this MOU to include the new regulations.

V. MUTUAL INDEMNIFICATION

1. County will indemnify, defend and hold harmless City, its elected and appointed officers, and employees from and against any and all liability, including but not limited to demands, claims, actions fees, costs, and expenses arising from or connected with County's negligent acts and/or omissions, arising from this MOU and/or relating to this MOU. County will not be obligated to indemnify, defend and hold harmless City from City's negligent acts and/or omissions relating to this MOU.
2. City will indemnify, defend and hold harmless County, its elected and appointed officers, and employees from and against any and all liability, including but not limited to demands, claims, actions fees, costs, and expenses arising from or connected with City's negligent acts and/or omissions, arising from this MOU and/or relating to this MOU. City will not be obligated to indemnify, defend and hold harmless County from County's negligent acts and/or omissions relating to this MOU.

VI. AUTHORIZING SIGNATURES

IN WITNESS THEREOF the parties hereto have caused this agreement to be executed on the day and year written below.

CITY OF SANTA BARBARA
BUILDING AND SAFETY DIVISION

COUNTY OF SANTA BARBARA
ENVIRONMENTAL HEALTH SERVICES

NAME/TITLE
Chief Building Official

Lars Seifert, REHS, Director
Environmental Health Services

Date of Signature

Date of Signature

DRAFT

ORDINANCE NO. _____

AN ORDINANCE OF THE COUNCIL OF THE CITY OF SANTA BARBARA AMENDING SANTA BARBARA MUNICIPAL CODE CHAPTER 14.48 BY THE REPEAL OF SECTIONS 14.48.180 THROUGH 14.48. 220, INCLUSIVE, AND CHAPTER 22.04 BY THE ADDITION OF SECTION 22.04.031 RELATING TO ONSITE WASTEWATER TREATMENT SYSTEMS

The City Council of the City of Santa Barbara does ordain as follows:

SECTION 1. Chapter 14.48 of the Santa Barbara Municipal Code is amended by the repeal of Sections 14.48.180 through 14.14.220.

SECTION 2. Chapter 22.04 of the Santa Barbara Municipal Code is amended by the addition of Section 22.04.031:

Section 22.04.031 Onsite Wastewater Treatment Systems

A. Article 1 of Chapter 18C of “The Code of the County of Santa Barbara, California” is adopted by reference, except Sections 18C-8 and 18C-10, and subject to the following amendments:

1. Section 18C-2, subdivision (BBB) is amended to read as follows:

"Special problems area" is an area designated by the ~~board of supervisors,~~
~~in chapter 10, article XV, of the Santa Barbara County Code~~ resolution of the City Council
as having severe constraints to development that include, but are not limited to, access, drainage and wastewater disposal.

2. Section 18C-3, subdivision (A)(1) is amended to read as follows:

Any structure, regardless of use, that produces wastewater shall have adequate wastewater treatment as required by the California Plumbing Code, as amended and adopted by the County City of Santa Barbara. ~~in chapter 10, article IV.~~ Wastewater

treatment shall either be accomplished by means of an approved onsite wastewater treatment system or connection to a public sewer.

3. Section 18C-3, subdivision (C) is amended to read as follows:

Permit Issuance Does Not Allow Continued Violation. The issuance of a permit or approval of plans shall not be deemed or construed to allow a violation of any of the provisions of the Santa Barbara Municipal Code~~County Code~~ or California State Law. The issuance of a permit or approval of plans shall not prevent the administrative authority from requiring the correction of errors in said permit or approved plans when a condition allowed in the approval is found to be in violation of applicable law~~the Santa Barbara County Code or California State Law~~. Continued violation may result in finest or penalties~~administrative fines assessed~~ to the responsible party pursuant to chapter 1.25 or 1.28 of the Municipal Code~~. 24A.~~

4. Section 18C-4, subdivision (F) is amended to read as follows:

Zoning Clearance. A land use permit or a coastal development permit shall be issued ~~by the Santa Barbara County Planning and Development Department~~ as required under Title 28 or Title 30 of the Municipal Code for any new structure utilizing an onsite wastewater treatment system prior to the issuance of a permit to construct the onsite wastewater treatment system.

5. Section 18C-4, subdivision (G) is amended to read as follows:

Administrative Fines and Penalties. Any person who commences work on an onsite sewage treatment system for which a permit is required, without first having obtained a permit, shall be required to obtain a permit and pay double the permit application fee established by City Council resolution~~the board of supervisors~~ and may

be subject to administrative fines or penalties as provided in chapters 1.25 or 1.28 of the Municipal Code. ~~124A of the Santa Barbara County Code~~

6. Section 18C-4, subdivision (H)(3) is amended to read as follows:

If the work halted by the suspension or revocation of a permit, has left an onsite wastewater treatment system in a condition that constitutes a safety hazard, a nuisance or threatens public health, the administrative authority may order the permittee to perform any work reasonably necessary to protect public health and safety or mitigate the nuisance as allowed by section 18-3 of the County Code. ~~If the permittee fails to mitigate the hazard or nuisance, the administrative authority may have the construction completed at the expense of the permit holder through the administrative fines process noted in [chapter 24A](#) of the Santa Barbara County Code~~

B. Violations of Article 1 of Chapter 18C of The Code of the County of Santa Barbara, California as adopted by to subdivision (A) may be enforces as provided in Chapters 1.25 and 1.28 of this Code.

C. The provisions of Article 1 of Chapter 18C of The Code of the County of Santa Barbara, California as adopted by subdivision (A) may be enforced by agreement with the County of Santa Barbara.

D. The Building Official is authorized to execute agreements necessary or convenient to the implementation of this Section.

E. No permit shall be issued for installation, repair or alteration of any onsite wastewater treatment system when a public sewer is available to serve the parcel.



PROCLAMATION

**HISPANIC & LATIN AMERICAN
HERITAGE MONTH**

SEPTEMBER 15 – OCTOBER 15, 2021

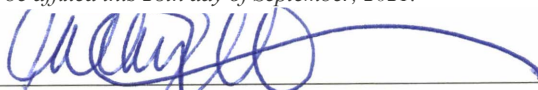
***WHEREAS**, in 1968 National Hispanic Heritage Week began under President Lyndon Johnson, and in 1988 President Ronald Regan expanded the annual observance with National Hispanic Heritage Month from September 15 to October 15, a period that encompasses the following Latin American independence days: September 15th in Costa Rica, El Salvador, Guatemala, Honduras and Nicaragua; September 16th in Mexico; and September 18th in Chile; and*

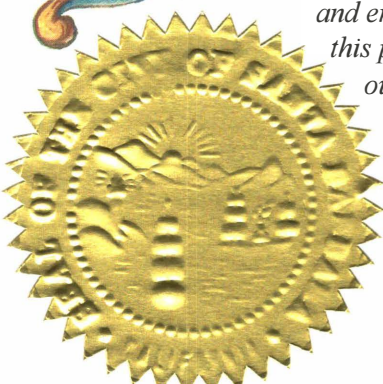
***WHEREAS**, Hispanic and Latino/Latina residents have always been an integral part of our beautiful city, enriching the local area as business owners; members of all segments of the local workforce; educators and students; volunteers; artists and performers; philanthropists; and active community members who contribute in countless ways to the betterment of Santa Barbara; and*

***WHEREAS**, in honor of Hispanic & Latin American Heritage Month, the Santa Barbara Public Library will host a series of events in September and October celebrating the culture of Santa Barbara Latin American immigrants, including a Latin American immigrant art show at the Central Library through October 30th; a "Taste of Home" cooking contest that invites immigrant residents to submit their family's best recipe for a chance to be included in a published cookbook; an October 1st evening workshop at the Eastside Library for young adults to explore and share their experiences as bilingual children of immigrants; and an Afro-Peruvian Concert with Radio Café on October 15th at the Central Library;*

***NOW, THEREFORE, I, CATHY MURILLO**, by virtue of the authority vested in me as Mayor of the City of Santa Barbara do hereby proclaim September 15–October 15, 2021 as Hispanic & Latin American Heritage Month in Santa Barbara, and encourage all residents to participate in activities, events, and education during this period and beyond to celebrate, support, and further their understanding of our Hispanic and Latin American neighbors.*

IN WITNESS WHEREOF, I have hereunto set my hand and caused the Official Seal of the City of Santa Barbara, California to be affixed this 28th day of September, 2021.


MAYOR CATHY MURILLO





CITY OF SANTA BARBARA

COUNCIL AGENDA REPORT

AGENDA DATE: September 28, 2021

TO: Mayor and Councilmembers

FROM: Administration Division, Finance Department

SUBJECT: Adoption Of Resolution For Records Destruction For Finance Department

RECOMMENDATION:

That Council adopt, by reading of title only, a Resolution of the Council of the City of Santa Barbara Relating to the Destruction of Records Held by the Finance Department in the Accounting, Administration, General Services, Risk Management, and Treasury Divisions.

DISCUSSION:

The City Council adopted Resolution No. 16-005 on February 9, 2016, approving the City of Santa Barbara Records Management Policies and Procedures Manual. The Manual contains the records retention and disposition schedules for all City departments. The schedules are a comprehensive listing of records created or maintained by the City, the length of time each record should be retained, and the legal retention authority. If no legal retention authority is cited, the retention period is based on standard records management practice.

Pursuant to the Manual, the Finance Director submitted a request for records destruction to the City Clerk Services Manager to obtain written consent from the City Attorney. The City Clerk Services Manager agreed that the list of records proposed for destruction conformed to the retention and disposition schedules. The City Attorney has consented in writing to the destruction of the proposed records.

The Finance Director requests the City Council approve the destruction of Finance Department records in the Accounting, Administration, General Services, Risk Management, and Treasury Divisions listed on Exhibit A of the proposed Resolution, without retaining a copy.

Council Agenda Report
Adoption Of Resolution For Records Destruction For Finance Department
September 28, 2021

Page 2

PREPARED BY: Jennifer Nichoson, Administrative Assistant

SUBMITTED BY: Keith DeMartini, Finance Director

APPROVED BY: City Administrator's Office

RESOLUTION NO.

A RESOLUTION OF THE COUNCIL OF THE CITY OF SANTA BARBARA RELATING TO THE DESTRUCTION OF RECORDS HELD BY THE FINANCE DEPARTMENT IN THE ACCOUNTING, ADMINISTRATION, GENERAL SERVICES, RISK MANAGEMENT, AND TREASURY DIVISIONS

WHEREAS, the City Council adopted Resolution No. 16-005 on February 9, 2016, approving the City of Santa Barbara Records Management Policies and Procedures Manual;

WHEREAS, the City of Santa Barbara Records Management Policies and Procedures Manual contains the records retention and disposition schedules for all City departments. The records retention and disposition schedules are a comprehensive listing of records created or maintained by the City, the length of time each record should be retained, and the legal retention authority. If no legal retention authority is cited, the retention period is based on standard records management practice;

WHEREAS, Government Code section 34090 provides that, with the approval of the City Council and the written consent of the City Attorney, the head of a City department may destroy certain city records, documents, instruments, books or papers under the Department Head's charge, without making a copy, if the records are no longer needed;

WHEREAS, the Finance Director submitted a request for the destruction of records held by the Finance Department to the City Clerk Services Manager to obtain written consent from the City Attorney. A list of the records, documents, instruments, books or papers proposed for destruction is attached hereto as Exhibit A and shall hereafter be referred to collectively as the "Records";

WHEREAS, the Records do not include any records affecting title to real property or liens upon real property, court records, records required to be kept by statute, records less than two years old, video or audio recordings that are evidence in any claim or pending litigation, or the minutes, ordinances or resolutions of the City Council or any City board or commission;

WHEREAS, the City Clerk Services Manager agrees that the proposed destruction conforms to the City's retention and disposition schedules;

WHEREAS, the City Attorney consents to the destruction of the Records; and

WHEREAS, the City Council of the City of Santa Barbara finds and determines that the Records are no longer required and may be destroyed.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF SANTA BARBARA that the Finance Director, or his designated representative, is authorized and directed to destroy the Records without retaining a copy.

EXHIBIT A**FINANCE DEPARTMENT****Records Series****Date(s)****ACCOUNTING DIVISION**

Accounting Reports	2012 – FY 2014
Accounts Payable	2012 – FY 2014
Bank Reconciliations	2012 – FY 2014
Credit Card Transaction Records	2019 or earlier
General Ledger Journal Vouchers	2012 – FY 2014
Operational Reports/Files	2011 – FY 2016
Payroll Check Registers	FY 2018 or earlier
Medicare Quarterly Reports	FY 2017 or earlier
Time Sheet Binders	FY 2014 or earlier
Trial Balance Reports	2012 – FY 2014
W-2 Forms	FY 2017 or earlier
Warrant Register	2011 – FY 2014
Warrants	2011 – FY 2014
Year-End Reports	2012 – FY 2014

ADMINISTRATION DIVISION

Travel Expense Records	2011 – FY 2014
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GENERAL SERVICES DIVISION

Bids	FY 2007 – FY 2011
Central Stores Supplies Inventory	FY 2013 – FY 2016
Department Files	FY 2013 – FY 2016
Insurances (expired)	FY 2018 – FY 2019

Purchase Orders

FY 2010 – FY 2014

RISK MANAGEMENT DIVISION

Contracts and Agreements

FY 2012 or earlier

CalOSHA Compliance Program Records

2011 – FY 2014

Financial Files

2016 – FY 2019

Fix-It Files

2014 – FY 2017

Incident Files

2013 – FY 2016

Liability Files

2013 – FY 2016

Litigation Files

2012 – FY 2016

TREASURY DIVISION

Automatic Payment Service Applications and Agreements

FY 2017 or earlier

Bank Reconciliations

2013 – FY 2014

Broker Files

2011 – FY 2014

Business License and Utility User's Tax Batch Files

2013 – FY 2016

Cash Receipt Records

2011 – FY 2014

Credit Card Transaction Records

2016 – FY 2017

Investment Files

2008 – FY 2011

Licenses and Permits Subject File

2013 – FY 2016

"MBIA" Audit Files

2013 – FY 2016

Parking and Business Improvement Area Tax Files

2015 – FY 2018

Transient Occupancy Tax Files

2013 – FY 2016

Treasury Receipts

2013 – FY 2016

Utility Billing and Accounts Receivable

2011 – FY 2014

Utility Tax Exemption Renewal Applications

2013 – FY 2018

Water Payment Records (Stubs)

2017 – FY 2020



CITY OF SANTA BARBARA

COUNCIL AGENDA REPORT

AGENDA DATE: September 28, 2021

TO: Mayor and Councilmembers

FROM: Housing and Human Services Division, Community Development Department

SUBJECT: Resolution Approving Conduit Financing Of Revenue Bonds For HumanGood

RECOMMENDATION:

That Council adopt, by reading of title only, a Resolution of the Council of the City of Santa Barbara Approving the Issuance of the California Municipal Finance Authority Revenue Bonds, Series 2021 (HumanGood) in an Aggregate Principal Amount Not to Exceed \$150,000,000 for the Purpose of Financing the Construction, Furnishing, and Equipping of Valle Verde and Certain Other Matters Relating Thereto.

DISCUSSION:

HumanGood, HumanGood NorCal, HumanGood SoCal or HumanGood Fresno, each a California nonprofit public benefit corporation (collectively, the "Corporation" or "Borrower"), have requested that the California Municipal Finance Authority (the "CMFA") issue bonds in one or more series in an aggregate principal amount not to exceed \$150,000,000 (the "Bonds"). The proceeds of these bonds will be used, among other things, (a) to finance or reimburse the cost of remodeling, renovating, furnishing, and equipping certain of the Corporation's continuing care communities located in several jurisdictions throughout the state of California, including in the City of Santa Barbara; (b) to pay a portion of the interest on the Bonds, if deemed necessary or advisable by the CMFA or the Corporation; (c) to provide working capital to the Corporation, if deemed necessary or advisable by the CMFA or the Corporation; (d) to fund a debt service reserve fund, if deemed necessary or advisable by the CMFA or the Corporation; and (e) to pay certain expenses incurred in connection with the issuance of the Bonds.

A portion of the proceeds of the Bonds in a principal amount not to exceed \$65,000,000 will be used to finance expenditures for various renovations to existing infrastructure and upgrades to housing units and amenities at the following continuing care community located in the City of Santa Barbara: Valle Verde located at 900 Calle De Los Amigos, Santa Barbara, California, 93105.

In order for all or a portion of the Bonds to qualify as tax-exempt bonds, the City of Santa Barbara must conduct a public hearing (the “TEFRA Hearing”) providing members of the community with an opportunity to speak in favor of or against the use of tax-exempt bonds for the financing of the Project. Prior to such TEFRA Hearing, reasonable notice must be provided to the members of the community. Following the close of the TEFRA Hearing, an “applicable elected representative” of the governmental unit hosting the Project must provide its approval of the issuance of the Bonds for the financing of the Project.

The CMFA was created on January 1, 2004, pursuant to a joint exercise of powers agreement to promote economic, cultural, and community development, through the financing of economic development and charitable activities throughout California. To date, over 320 municipalities have become members of CMFA.

The CMFA was formed to assist local governments, nonprofit organizations and businesses with the issuance of taxable and tax-exempt bonds aimed at improving the standard of living in California. The CMFA’s representatives and its board of directors have considerable experience in bond financings.

The Bonds to be issued by the CMFA for the Project will be the sole responsibility of the Borrower, and the City will have no financial, legal, moral obligation, liability, or responsibility for the Project or the repayment of the Bonds for the financing of the Project. All financing documents with respect to the issuance of the Bonds will contain clear disclaimers that the Bonds are not obligations of the City or the State of California but are to be paid for solely from funds provided by the Borrower.

The board of directors of the California Foundation for Stronger Communities, a California nonprofit public benefit corporation (the “Foundation”), acts as the board of directors for the CMFA. Through its conduit issuance activities, the CMFA shares a portion of the issuance fees it receives with its member communities such as the City and, in addition, donates a portion of the issuance fees for the support of local charities. With respect to the City of Santa Barbara, it is expected that a portion of the issuance fee attributable to the City will be granted by the CMFA to the general fund of the City. Such grant may be used by the City for any lawful purpose.

TEFRA is a federal law with regulations issued by the Internal Revenue Service of the U.S. Treasury Department. The IRS issued guidance last year allowing shelter-in-place TEFRA hearings without an in-person hearing venue but required that any public comment be received via toll-free teleconference. Because Santa Barbara City Council meetings are conducted via GotoWebinar in lieu of toll-free teleconference, the hearing for this public hearing was conducted by City staff on September 15, 2021, prior to the Council meeting using a toll-free teleconference line. This is permitted under the TEFRA regulations as well as the Brown Act. Detailed minutes of the public hearing including a transcript of public comments are included as an attachment to this staff report.

Staff recommends that the City Council adopt the resolution approving the issuance of bonds by the California Municipal Finance Authority.

BUDGET/FINANCIAL INFORMATION:

It is important to understand that the City is in no way associated with the debt issuance and is not obligated to make debt service payments on the bonds. In addition, adopting a resolution in no way makes the City a party to the debt issuance.

ATTACHMENT: Public Hearing Minutes from September 15, 2021

PREPARED BY: Laura Dubbels/Housing & Human Services Manager

SUBMITTED BY: Elias Isaacson, Community Development Director

APPROVED BY: City Administrator's Office

Public Hearing Minutes from September 15, 2021

Opened at 12:55 pm.

At 1:00 pm, Ms. Dubbels made the following announcement:

“Hello, welcome to the City of Santa Barbara’s Tax Equity and Fiscal Responsibility Act, also known as “TEFRA”, public hearing. I would like to start by asking everyone on the line to please identify themselves with their full name”:

In attendance:

Laura Dubbels, City of Santa Barbara Housing and Human Services Manager

Lucy Graham, City of Santa Barbara Housing Project Planner

Anthony Stubbs, California Municipal Finance Authority

Christina DeLaPena, HumanGood

Ms. Dubbels continued: “We are here this afternoon to conduct a public hearing pursuant to the federal Tax Equity and Fiscal Responsibility Act otherwise known as TEFRA. TEFRA requires that a public hearing be held by the governing body of the jurisdiction in which a project to be financed with tax-exempt financing is located, and that the governing body approve the proposed Financing.

HumanGood, HumanGood NorCal, HumanGood SoCal or HumanGood Fresno, each a California nonprofit public benefit corporation (collectively, the “Corporation” or “Borrower”), have requested that the California Municipal Finance Authority (the “CMFA”) issue bonds in one or more series in an aggregate principal amount not to exceed \$150,000,000 (the “Bonds”). The proceeds of these bonds will be used, among other things, (a) to finance or reimburse the cost of remodeling, renovating, furnishing, and equipping certain of the Corporation’s continuing care communities located in several jurisdictions throughout the state of California, including in the City of Santa Barbara; (b) to pay a portion of the interest on the Bonds, if deemed necessary or advisable by the CMFA or the Corporation; (c) to provide working capital to the Corporation, if deemed necessary or advisable by the CMFA or the Corporation; (d) to fund a debt service reserve fund, if deemed necessary or advisable by the CMFA or the Corporation; and (e) to pay certain expenses incurred in connection with the issuance of the Bonds.

A portion of the proceeds of the Bonds in a principal amount not to exceed \$65,000,000 will be used to finance expenditures for various renovations to existing infrastructure and upgrades to housing units and amenities at the following continuing care community located in the City of Santa Barbara: Valle Verde located at 900 Calle De Los Amigos, Santa Barbara, California, 93105.

The CMFA is a joint powers authority formed to assist local governments, non-profit organizations, and businesses with the issuance of both taxable and tax-exempt debt.

The debt to be issued by the CMFA will be the sole responsibility of the Borrower and the City of Santa Barbara will have no financial or legal obligations or responsibilities with regard to the repayment of the debt. All financing documents will carry disclaimers that the loan is not an obligation of the City.

The City will also bear no costs in the issuance of the proposed debt. This is a private loan with the borrower and their bank.

It is recommended that the city council adopt a resolution approving the issuance of bonds by the CMFA for the benefit the Borrower. Such adoption is solely for the purposes of satisfying the requirements of TEFRA, the Code, and the California Government Code Section 6500.

Are there any members of the public on this phone call today that would like to make a public comment? If so, please speak your full name and then proceed with your comment.”

No comments were received.

Closed at 1:10pm.

RESOLUTION NO. _____

A RESOLUTION OF THE COUNCIL OF THE CITY OF SANTA BARBARA APPROVING THE ISSUANCE OF THE CALIFORNIA MUNICIPAL FINANCE AUTHORITY REVENUE BONDS, SERIES 2021 (HUMANGOOD) IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$150,000,000 FOR THE PURPOSE OF FINANCING THE CONSTRUCTION, FURNISHING, AND EQUIPPING OF VALLE VERDE AND CERTAIN OTHER MATTERS RELATING THERETO

WHEREAS, HumanGood, HumanGood NorCal, HumanGood SoCal or HumanGood Fresno, each a California nonprofit public benefit corporation (collectively, the "Corporation"), has requested that the California Municipal Finance Authority (the "Authority") issue bonds in one or more series in an aggregate principal amount not to exceed \$150,000,000 (the "Bonds"), the proceeds of which will be used, among other things, (a) to finance or reimburse the cost of remodeling, renovating, furnishing and equipping certain of the Corporation's continuing care communities located in several jurisdictions throughout the state of California, including in the City of Santa Barbara, (b) to pay a portion of the interest on the Bonds, if deemed necessary or advisable by the Authority or the Corporation, (c) to provide working capital to the Corporation, if deemed necessary or advisable by the Authority or the Corporation, (d) to fund a debt service reserve fund, if deemed necessary or advisable by the Authority or the Corporation, and (e) to pay certain expenses incurred in connection with the issuance of the Bonds; and

WHEREAS, a portion of the proceeds of the Bonds in a principal amount not to exceed \$65,000,000 will be used to finance expenditures for various renovations to existing infrastructure and upgrades to housing units and amenities at the following continuing care community owned and operated by the Corporation and located in the City of Santa Barbara (the "City"): Valle Verde located at 900 Calle De Los Amigos, Santa Barbara, California, 93105 (the "Community"); and

WHEREAS, a portion of such proceeds of the Bonds will be used to finance various renovations to the Community, including demolishing the existing skilled nursing building and constructing in its place three replacement skilled nursing cottages; and

WHEREAS, pursuant to Section 147(f) of the Internal Revenue Code of 1986 (the "Code"), the issuance of the Bonds by the Authority must be approved by the City because the Community is located within the territorial limits of the City; and

WHEREAS, the City Council of the City (the "Council") is the elected legislative body of the City and is one of the applicable elected representatives required to approve the issuance of the Bonds under Section 147(f) of the Code; and

WHEREAS, the Council understands that its actions in holding the public hearing and in adopting this Resolution do not obligate the City in any manner for payment of the principal, interest, fees or any other costs associated with the issuance of the Bonds, and the Council expressly conditions its approval of the issuance of the Bonds by the Authority by the adoption of this Resolution on this understanding; and

WHEREAS, the Authority has requested that the Council approve the issuance of the Bonds by the Authority in order to satisfy the public approval requirement of Section 147(f) of the Code and the requirements of Section 4 of the Joint Exercise of Powers Agreement relating to the California Municipal Finance Authority, dated as of January 1, 2004 (the "Agreement"), among certain local agencies, including the City; and

WHEREAS, pursuant to Section 147(f) of the Code, the Council has, following notice duly given, held a public hearing regarding the issuance of the Bonds, and now desires to approve the issuance of the Bonds by the Authority.

NOW THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF SANTA BARBARA THAT:

1. The Council accepts the above recitals as true and correct.
2. The Council hereby approves the issuance of the Bonds by the Authority. It is the purpose and intent of the Council that this Resolution constitute approval of the issuance of the Bonds by the Authority for the purposes of (a) Section 147(f) of the Code by the applicable elected representative of the governmental unit having jurisdiction over the area in which the Community is located, in accordance with said Section 147(f) and (b) Section 4 of the Agreement.
3. The officers and employees of the City are hereby authorized and directed, jointly and severally, to do any and all things and to execute and deliver any and all documents which they deem necessary or advisable in order to carry out, give effect to and comply with the terms and intent of this Resolution and the financing transaction approved hereby.
4. The Council expressly conditions its approval of this Resolution on its understanding that the City shall have no obligation whatsoever to pay any principal, interest, fees or other costs associated with the Authority's issuance of the Bonds.
5. This Resolution shall take effect immediately upon its adoption.



CITY OF SANTA BARBARA

COUNCIL AGENDA REPORT

AGENDA DATE: September 28, 2021

TO: Mayor and Councilmembers

FROM: Treasury Division, Finance Department

SUBJECT: August 2021 Investment Report

RECOMMENDATION:

That Council accept the August 2021 Investment Report.

DISCUSSION:

The attached investment report includes Investment Activity, Interest Revenue, a Summary of Cash and Investments, and Investment Portfolio detail as of August 31, 2021.

ATTACHMENT: August 2021 Investment Report

PREPARED BY: Jennifer Tomaszewski, Finance & Treasury Manager

SUBMITTED BY: Keith DeMartini, Finance Director

APPROVED BY: City Administrator's Office

ATTACHMENT

CITY OF SANTA BARBARA
Activity and Interest Report
August 31, 2021

INVESTMENT ACTIVITY		INVESTMENT INCOME	
PURCHASES OR DEPOSITS		POOLED INVESTMENTS	
		Interest Earned on Investments	\$ 139,738
		Amortization	5,656
Total	<u>\$ -</u>	Total	<u>\$ 145,394</u>
SALES, MATURITIES, CALLS OR WITHDRAWALS			
8/17 FHLMC	\$ (2,000,000)		
Total	<u>\$ (2,000,000)</u>		
ACTIVITY TOTAL	<u>\$ (2,000,000)</u>	INCOME TOTAL	<u>\$ 145,394</u>

CITY OF SANTA BARBARA
Summary of Cash and Investments
August 31, 2021

ENDING BALANCE AS OF July 31, 2021

Description	Book Value	Yield to Maturity (365 days)	Percent of Portfolio	Average Days to Maturity
MUFG Union Bank NA Checking Account	\$ 28,013,482	0.450%	12.08%	1 (1)
State of California LAIF	75,000,000	0.221%	32.35%	1 (2)
Treasury Securities	20,921,172	0.898%	9.02%	924
Federal Agency Issues - Coupon	74,996,209	0.954%	32.35%	1,185
Corporate/Medium Term Notes	22,943,937	2.364%	9.90%	762
Supranationals Obligations	9,975,321	0.511%	4.30%	1,428
	<u>231,850,120</u>	<u>0.771%</u>	<u>100.00%</u>	<u>604</u>
 Totals and Averages	 <u>\$ 231,850,120</u>	 <u>0.771%</u>	 <u>100.00%</u>	 <u>604</u>
 Total Cash and Investments	 <u>\$ 231,850,120</u>			

NET CASH AND INVESTMENT ACTIVITY FOR August 2021

\$ 6,568,359

ENDING BALANCE AS OF August 31, 2021

Description	Book Value	Yield to Maturity (365 days)	Percent of Portfolio	Average Days to Maturity
MUFG Union Bank NA Checking Account	\$ 36,576,185	0.450%	15.34%	1 (1)
State of California LAIF	75,000,000	0.221%	31.46%	1 (2)
Treasury Securities	20,922,923	0.898%	8.78%	893
Federal Agency Issues - Coupon	72,996,272	0.925%	30.62%	1,186
Corporate/Medium Term Notes	22,947,273	2.364%	9.62%	731
Supranationals Obligations	9,975,827	0.511%	4.18%	1,397
	<u>238,418,479</u>	<u>0.749%</u>	<u>100.00%</u>	<u>571</u>
 Totals and Averages	 <u>\$ 238,418,479</u>	 <u>0.749%</u>	 <u>100.00%</u>	 <u>571</u>
 Total Cash and Investments	 <u>\$ 238,418,479</u>			

Note: (1) Earnings Credit Rate (ECR) is provided at the rate of 0.450% by MUFG Union Bank, N.A. to help offset banking fees.

(2) The average life of the LAIF portfolio as of August 31, 2021 is 312 days.

CITY OF SANTA BARBARA

Investment Portfolio

August 31, 2021

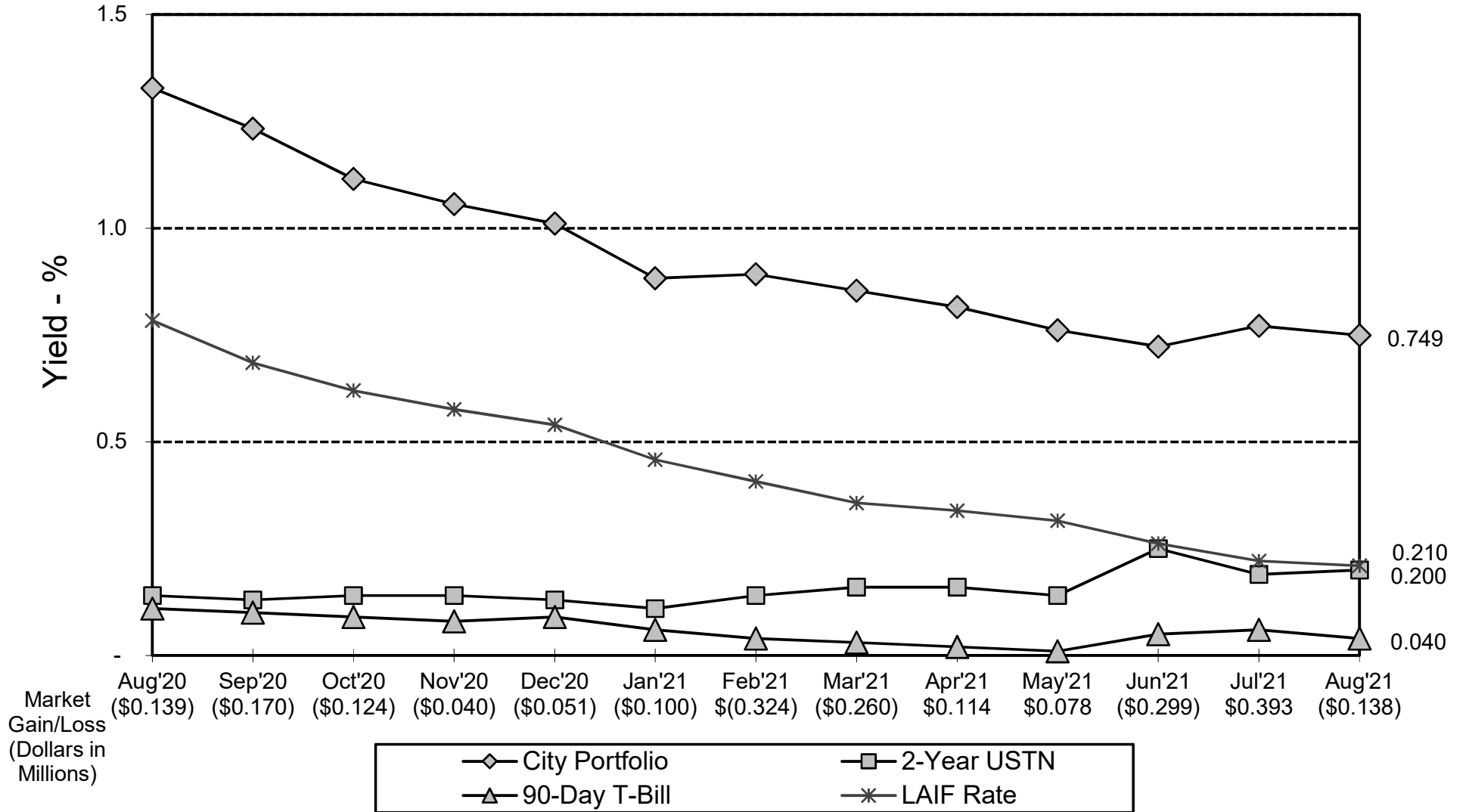
DESCRIPTION	PURCHASE DATE	MATURITY DATE	QUALITY RATING MOODY'S	S & P	STATED RATE	YIELD AT 365	FACE VALUE	BOOK VALUE	MARKET VALUE	BOOK GAIN/(LOSS)	COMMENTS
LOCAL AGENCY INVESTMENT FUNDS											
LOCAL AGENCY INVESTMENT FUND	-	-	-	-	0.221	0.221	75,000,000.00	75,000,000.00	75,000,000.00	0.00	
Subtotal, LAIF							75,000,000.00	75,000,000.00	75,000,000.00	0.00	
TREASURY SECURITIES - COUPON											
U S TREASURY NOTE	05/03/19	04/30/24	Aaa	AA+	2.250	2.342	2,000,000.00	1,995,404.84	2,101,250.00	105,845.16	
U S TREASURY NOTE	06/27/19	08/31/22	Aaa	AA+	1.875	1.743	2,000,000.00	2,002,547.37	2,035,312.00	32,764.63	
U S TREASURY NOTE	01/22/20	02/28/23	Aaa	AA+	1.500	1.527	2,000,000.00	1,999,210.82	2,040,390.00	41,179.18	
U S TREASURY NOTE	01/22/20	06/30/23	Aaa	AA+	1.375	1.534	2,000,000.00	1,994,353.09	2,043,672.00	49,318.91	
U S TREASURY NOTE	01/12/21	09/15/23	Aaa	AA+	0.125	0.185	3,000,000.00	2,996,337.41	2,993,907.00	(2,430.41)	
U S TREASURY NOTE	01/21/21	10/31/22	Aaa	AA+	0.125	0.118	3,000,000.00	3,000,230.58	3,000,585.00	354.42	
U S TREASURY NOTE	02/12/21	07/31/25	Aaa	AA+	0.250	0.380	3,000,000.00	2,984,897.70	2,959,218.00	(25,679.70)	
U S TREASURY NOTE	06/02/21	05/31/25	Aaa	AA+	0.250	0.553	2,000,000.00	1,977,582.39	1,976,094.00	(1,488.39)	
U S TREASURY NOTE	06/02/21	12/31/25	Aaa	AA+	0.375	0.700	2,000,000.00	1,972,358.31	1,973,906.00	1,547.69	
Subtotal, Treasury Securities							21,000,000.00	20,922,922.51	21,124,334.00	201,411.49	
FEDERAL AGENCY ISSUES - COUPON											
FED AGRICULTURAL MTG CORP	05/09/19	04/03/23	-	-	2.360	2.371	2,000,000.00	1,999,674.07	2,068,866.00	69,191.93	
FED AGRICULTURAL MTG CORP	02/12/20	02/12/24	-	-	1.390	1.480	2,000,000.00	1,995,729.60	2,051,564.00	55,834.40	
FED AGRICULTURAL MTG CORP	03/02/21	09/22/25	-	-	0.480	0.480	3,000,000.00	3,000,000.00	2,992,854.00	(7,146.00)	Callable 09/22/23, Q
FEDERAL FARM CREDIT BANK	01/31/19	10/23/23	Aaa	AA+	2.650	2.670	2,000,000.00	1,999,219.84	2,101,430.00	102,210.16	
FEDERAL FARM CREDIT BANK	06/24/19	06/14/22	Aaa	AA+	1.875	1.839	2,000,000.00	2,000,544.84	2,028,276.00	27,731.16	
FEDERAL FARM CREDIT BANK	06/27/19	12/12/22	Aaa	AA+	1.875	1.830	2,000,000.00	2,001,103.44	2,045,246.00	44,142.56	
FEDERAL FARM CREDIT BANK	06/15/21	06/15/26	Aaa	AA+	0.900	0.900	2,000,000.00	2,000,000.00	2,000,182.00	182.00	Callable 06/15/22, P
FEDERAL FARM CREDIT BANK	05/06/21	05/06/25	Aaa	AA+	0.710	0.710	2,000,000.00	2,000,000.00	2,003,112.00	3,112.00	Callable 05/06/22, P
FEDERAL HOME LOAN BANK	11/22/16	11/22/21	Aaa	AA+	1.750	1.750	2,000,000.00	2,000,000.00	2,007,440.00	7,440.00	
FEDERAL HOME LOAN BANK	01/28/21	01/28/26	Aaa	AA+	0.580	0.580	3,000,000.00	3,000,000.00	2,983,461.00	(16,539.00)	Callable 01/28/22, Q
FEDERAL HOME LOAN BANK	01/28/21	01/28/26	Aaa	AA+	0.250	0.609	3,000,000.00	3,000,000.00	2,993,973.00	(6,027.00)	S/U 0.25-0.70%, callable 01/28/22,, 1x
FEDERAL HOME LOAN BANK	01/28/21	01/28/26	Aaa	AA+	0.250	0.649	3,000,000.00	3,000,000.00	2,995,470.00	(4,530.00)	S/U 0.25-0.75%, 1x Call 01/28/22
FEDERAL HOME LOAN BANK	02/25/21	11/25/25	Aaa	AA+	0.500	0.500	3,000,000.00	3,000,000.00	2,983,563.00	(16,437.00)	Callable 02/25/22, A
FEDERAL HOME LOAN BANK	03/16/21	03/16/26	Aaa	AA+	0.500	0.798	2,000,000.00	2,000,000.00	1,995,274.00	(4,726.00)	S/U 0.50-1.00%, Callable 09/16/21 - Q
FEDERAL HOME LOAN BANK	03/30/21	12/30/24	Aaa	AA+	0.530	0.568	2,000,000.00	2,000,000.00	2,000,596.00	596.00	Callable 09/30/21, 1x
FEDERAL HOME LOAN BANK	04/15/21	04/15/26	Aaa	AAA	1.000	1.000	2,000,000.00	2,000,000.00	2,001,820.00	1,820.00	Callable 10/15/21, 1x
FEDERAL HOME LOAN BANK	05/20/21	05/20/26	Aaa	AA+	1.000	1.000	2,000,000.00	2,000,000.00	2,004,920.00	4,920.00	Callable 05/20/22, Q
FEDERAL HOME LOAN BANK	05/26/21	12/26/25	Aaa	AA+	0.900	0.900	3,000,000.00	3,000,000.00	3,000,633.00	633.00	Callable 11/26/21, Q
FEDERAL HOME LOAN BANK	05/26/21	11/26/24	Aaa	AA+	0.550	0.550	2,000,000.00	2,000,000.00	1,999,272.00	(728.00)	Callable 11/26/21, Q
FEDERAL HOME LOAN BANK	06/10/21	06/10/25	Aaa	AA+	0.690	0.690	2,000,000.00	2,000,000.00	2,002,806.00	2,806.00	Callable 06/10/22, Q
FEDERAL HOME LOAN BANK	06/10/21	06/10/26	Aaa	AA+	1.000	1.000	2,000,000.00	2,000,000.00	2,004,996.00	4,996.00	Callable 06/10/22, Q
FEDERAL HOME LOAN BANK	06/28/21	03/28/25	Aaa	AA+	0.600	0.600	2,000,000.00	2,000,000.00	2,000,084.00	84.00	Callable 03/28/22, Q
FEDERAL HOME LOAN MTG CORP	05/25/17	05/25/22	Aaa	AA+	2.050	2.050	2,000,000.00	2,000,000.00	2,028,866.00	28,866.00	
FEDERAL HOME LOAN MTG CORP	03/16/17	09/16/21	Aaa	AA+	2.000	2.000	2,000,000.00	2,000,000.00	2,001,616.00	1,616.00	
FEDERAL HOME LOAN MTG CORP	11/25/20	11/25/25	Aaa	AA+	0.625	0.625	3,000,000.00	3,000,000.00	2,996,718.00	(3,282.00)	Callable on 11/25/22, A
FEDERAL HOME LOAN MTG CORP	11/24/20	11/24/23	Aaa	AA+	0.320	0.320	3,000,000.00	3,000,000.00	2,999,832.00	(168.00)	Callable 11/24/21, Q
FEDERAL HOME LOAN MTG CORP	09/09/20	12/09/24	Aaa	AA+	0.500	0.500	3,000,000.00	3,000,000.00	2,997,117.00	(2,883.00)	Callable 12/09/21, Q
FEDERAL NATL MORTGAGE ASSN	08/17/20	08/17/23	Aaa	AA+	0.310	0.310	3,000,000.00	3,000,000.00	3,000,990.00	990.00	Callable 02/17/2022, Q
FEDERAL NATL MORTGAGE ASSN	08/26/20	08/26/25	Aaa	AA+	0.600	0.600	4,000,000.00	4,000,000.00	3,995,988.00	(4,012.00)	Callable 08/26/22, Q
FEDERAL NATL MORTGAGE ASSN	11/17/20	05/17/24	Aaa	AA+	0.375	0.375	3,000,000.00	3,000,000.00	3,005,169.00	5,169.00	Callable on 11/17/2022, Q
Subtotal, Federal Agencies							73,000,000.00	72,996,271.79	73,292,134.00	295,862.21	

CITY OF SANTA BARBARA
Investment Portfolio
August 31, 2021

DESCRIPTION	PURCHASE DATE	MATURITY DATE	QUALITY RATING MOODY'S	S & P	STATED RATE	YIELD AT 365	FACE VALUE	BOOK VALUE	MARKET VALUE	BOOK GAIN/(LOSS)	COMMENTS
SUPRANATIONAL OBLIGATIONS											
INTERNATIONAL BANK FOR RECONST	01/22/21	10/28/25	Aaa	AAA	0.500	0.500	3,000,000.00	3,000,000.00	2,977,350.00	(22,650.00)	
INTERNATIONAL FINANCE CORP	02/22/21	08/22/24	Aaa	AAA	0.250	0.255	3,000,000.00	2,999,566.50	2,983,410.00	(16,156.50)	
INTERNATIONAL FINANCE CORP	03/23/21	03/23/26	Aaa	AAA	0.750	0.805	2,000,000.00	1,995,074.00	2,014,896.00	19,822.00	
INTERNATIONAL FINANCE CORP	06/03/21	07/16/25	Aaa	AAA	0.375	0.621	2,000,000.00	1,981,186.78	1,980,098.00	(1,088.78)	
Subtotal, Supranationals							10,000,000.00	9,975,827.28	9,955,754.00	(20,073.28)	
CORPORATE/MEDIUM TERM NOTES											
APPLE INC	01/24/19	05/11/22	Aa1	AA+	2.300	2.847	2,000,000.00	1,992,792.75	2,024,358.00	31,565.25	
APPLE INC	04/23/19	05/03/23	Aa1	AA+	2.400	2.718	2,000,000.00	1,989,986.04	2,071,274.00	81,287.96	
APPLE INC	09/11/19	09/11/24	Aa1	AA+	1.800	1.903	2,000,000.00	1,994,077.67	2,072,926.00	78,848.33	
APPLE INC	02/17/21	02/08/26	Aa1	AA+	0.700	0.705	3,000,000.00	2,999,331.24	2,985,411.00	(13,920.24)	
BERKSHIRE HATHAWAY INC	04/05/18	03/15/23	Aa2	AA	2.750	3.016	2,000,000.00	1,992,443.19	2,068,206.00	75,762.81	
BERKSHIRE HATHAWAY FIN	12/12/18	05/15/22	Aa2	AA	3.000	3.204	2,000,000.00	1,997,289.02	2,039,844.00	42,554.98	
MICROSOFT CORP	03/11/19	02/06/22	Aaa	AAA	2.400	2.564	2,000,000.00	1,998,644.31	2,015,466.00	16,821.69	
MICROSOFT CORP	05/23/19	08/08/23	Aaa	AAA	2.000	2.535	2,000,000.00	1,980,447.19	2,062,860.00	82,412.81	
TOYOTA MOTOR CREDIT	07/27/18	07/20/23	A1	A	3.419	3.392	2,000,000.00	2,000,924.02	2,118,292.00	117,367.98	
TOYOTA MOTOR CREDIT	06/14/19	09/08/22	A1	A	2.150	2.182	2,000,000.00	1,999,369.42	2,038,656.00	39,286.58	
TOYOTA MOTOR CREDIT	03/16/20	02/13/25	A1	A	1.800	1.770	2,000,000.00	2,001,968.08	2,062,402.00	60,433.92	
Subtotal, Corporate Securities							23,000,000.00	22,947,272.93	23,559,695.00	612,422.07	
CHECKING ACCOUNT											
MUFG UNION BANK NA CHKNG ACCNT	-	-	-	-	0.450	0.450	36,576,184.94	36,576,184.94	36,576,184.94	0.00	
Subtotal, Checking Account							36,576,184.94	36,576,184.94	36,576,184.94	0.00	
TOTALS							238,576,184.94	238,418,479.45	239,508,101.94	1,089,622.49	

Market values have been obtained from the City's safekeeping agent, Montecito Bank & Trust ("MB&T").

INVESTMENT YIELDS





CITY OF SANTA BARBARA

COUNCIL AGENDA REPORT

AGENDA DATE: September 14, 2021

TO: Mayor and Councilmembers

FROM: Facilities Division, Waterfront Department

SUBJECT: Increase Contract For Design Of Waterfront Ice House Refurbishment

RECOMMENDATION:

That Council authorize the Waterfront Director to increase a Professional Services Agreement with Kruger Bensen Ziemer Architects, Inc. (KBZ) in the amount of \$36,800 for a total contract amount of \$135,465 for design services, completion of construction drawings and permitting for the refurbishment of the Waterfront Ice House equipment.

DISCUSSION:

Background

The Waterfront Ice House is located on the City Pier in the Santa Barbara Harbor and has been providing high-quality flake ice for the commercial fishing industry since the mid 1990's. The Ice House provides a critical service that supports the needs of the local commercial fishing industry. The flake ice is used in all stages of the commercial fishing process from storing offshore catch to packing and shipping product. The local commercial fishing industry, wholesale and retail depends on the reliable operation of the Waterfront Ice House.

The existing Ice House has exceeded its useful life and the equipment regularly fails requiring expensive and timely repairs, and unscheduled downtime. Additionally, replacement parts for aging equipment are becoming increasingly more difficult to source. The Waterfront Department has planned for this necessary equipment refurbishment and included \$560,894 in the FY 2022 Capital Improvement Program (CIP) for the project.

Project Description

The existing ice making equipment is housed in a two-story building at the end of the City Pier. The Ice House is normally capable of producing 10 tons of flake ice per day. The first floor refrigerated bin has the capacity to store up to 12 tons of ice. Historic records indicate that the capacity of the ice maker and storage bin meets the needs of the

Waterfront and the local commercial fishing fleet. Therefore, the proposed plan is to replace the equipment within the existing building footprint, improve operational safety, and repair the building where needed. The design intends to return the existing building to its original appearance once the internal equipment is replaced. The ice making system will be newer, more efficient and reliable, and less costly to operate and maintain.

Current Status

As of June 2021, preliminary construction drawings have been completed by the design team consisting of a local architect (KBZ), structural engineer, electrical engineer, mechanical engineer and Waterfront staff.

Waterfront staff would now like to increase the contract with KBZ to complete the construction drawings and bid specifications to obtain a building permit for the Ice House refurbishment. An increase in the scope of work is needed to review alternative mechanical designs and ice delivery systems, options of the placement of mechanical equipment since interior space is very limited, making additional health, safety & environmental improvements such as maintenance access platform, confined space emergency exiting, additional ice bin service access ports, and compliant drainage systems, attend additional project meetings, making design revisions that might be requested by the Building & Safety Department, and review options for bid contracting.

Funding

The following summarizes all estimated total Project costs:

ESTIMATED PROJECT DESIGN COSTS

Conceptual Design (by Contract)	\$27,000
Structural Analysis (by Contract)	\$14,000
Construction Drawings (by Contract)	\$57,665
Construction Drawings – Addendum #1 (by Contract)	\$ 36,800
Subtotal	\$135,465
Estimated Construction Contract	\$425,429
Subtotal	\$425,429
TOTAL PROJECT COST	\$560,894

This project is in the Waterfront Capital Improvement Program and there are sufficient funds in the Waterfront Capital Enterprise Fund to cover these costs and projected inflation.

SUSTAINABILITY IMPACT:

The Project will replace aging motors, refrigeration system, cooling tower, ice making equipment, storage bin conveyor, controls, and delivery system with newer more energy efficient and reliable equipment.

A copy of the agreement is available from the Waterfront Department; please email ARodriguez@SantaBarbaraCA.gov to request a copy.

PREPARED BY: Brian Adair, Waterfront Facilities Manager

SUBMITTED BY: Mike Wiltshire, Waterfront Director

APPROVED BY: City Administrator's Office



CITY OF SANTA BARBARA

COUNCIL AGENDA REPORT

AGENDA DATE: September 28, 2021

TO: Mayor and Councilmembers

FROM: Water Resources Division, Public Works Department

SUBJECT: Professional Services Contract For Capacity Charges And
Wastewater Rates Study

RECOMMENDATION:

That Council authorize the Public Works Director to execute a City Professional Services contract with HDR Engineering, Inc., in the amount of \$105,995 for the Wastewater Rate and Capacity Charges Studies, and authorize the Public Works Director to approve expenditures of up to \$10,600 for extra services that may result from necessary changes in the scope of work.

DISCUSSION:

Staff recommends that Council authorize the Public Works Director to execute a contract with HDR Engineer Inc. (HDR), to update the City's wastewater rate model, including the cost-of-service analysis, and perform a comprehensive study of the City's water and wastewater capacity charges.

Scope of Services

Wastewater utilities are dependent on rate revenue to fund most of the operations, maintenance and capital improvements needed to keep the utilities functioning reliably, and in compliance with federal and state regulations. A key component of the rate study update will be the review of the existing cost-of-service methodology and affirmation that the City's wastewater rates are compliant with Article XIII D, Section 6 of the California Constitution, commonly referred to as Proposition 218. Proposition 218 includes the requirement that rates may not exceed the estimated cost of providing the service and must be reasonable, fair, equitable, and proportional.

A comprehensive wastewater rate study was completed in 2018, which developed a three-year rate schedule through June 30, 2022. The proposed rate study will update the existing rate model with adopted and projected operating and capital expenditures, develop fair and equitable rates that are based on cost of service analysis. It will also ensure there are sufficient revenues to meet the wastewater's operation and maintenance and capital needs, in addition to maintaining adequate reserves.

Capacity charges, also referred to as buy-in fees, are one-time fees paid for new or expanded connections to the water and wastewater systems. The fee reimburses existing customers for a proportionate share of the valuation of the infrastructure system assets, which existing customers have funded through payment of monthly service charges and their own buy-in fee paid at the time of connection. Capacity charges contribute to non-rate revenues, which, in turn, offset revenue collected from rates. Upon payment of the fee, new customers are on equal footing with existing customers and can appropriately be charged in accordance with the City's rate schedule as it applies to existing customers. Capacity charges are not subject to Proposition 218 requirements, although they are subject to other noticing requirements of the California Government Code. The City last updated its schedule of capacity charges in 2017. The scope of work proposed by HDR includes review of the City's current capacity charges methodology, evaluation of alternate capacity charges methodologies, and development of proposed capacity charges for up to a five-year period.

Public Engagement

Staff is planning for extensive public engagement throughout the rate-setting process, including public presentations to the Water Commission, Finance Committee, and City Council, along with a public information webinar available in English and Spanish. In addition, City News In Brief, utility bill inserts, e-newsletters, and other media channels which provide the latest information on rates and how to participate in the rate-setting process, as well as an enhanced Proposition 218 notice highlighting the planned capital investment.

Consultant Selection

HDR was selected for this project because: it was the top-rated consultant for the 2021 water rate study; has a positive performance history with the City on previous projects; and produced the 2018 wastewater rate study and 2021 water rate study to the City's satisfaction. For both of these projects, HDR performed competently and according to the agreed upon scope of work, met the project deadlines and delivered their work product under budget, in both instances.

HDR's proposed project team is comprised of experienced professionals that have extensive experience in developing water and wastewater rates for California agencies, with the project manager being a nationally recognized leader in utility rate setting. Additionally, HDR's proposed hourly rates were found to be comparable to the other responding firms in the previous Request for Proposal process. Since that time, HDR has proposed hourly rate increases, which are in line with annual inflationary increases. For the above reasons, staff finds HDR to be a qualified firm offering competitive pricing for the scope of work proposed by the City. Therefore, staff recommends executing a base contract with HDR in the amount of \$105,995, and authorizing up to \$10,600 in extra services, for a total of \$116,595.

BUDGET/FINANCIAL INFORMATION:

There are sufficient appropriations in the Adopted Wastewater Operating Fund Budget in Fiscal Year 2022 to fund the contract, including extra services with HDR.

ENVIRONMENTAL REVIEW:

The recommendation in this report is not subject to the California Environmental Quality Act.

WATER COMMISSION RECOMMENDATION:

This item was presented to the Water Commission at its meeting on September 16, 2021, and the Commission voted 5-0 in support of staff's recommendation.

A copy of the contract may be requested from the Public Works Department for public review; please contact PWInfo@SantaBarbaraCA.gov to request a copy.

PREPARED BY: Joshua Haggmark, Water Resources Manager/MBH/rb

SUBMITTED BY: Clifford M. Maurer, P.E., Public Works Director

APPROVED BY: City Administrator's Office



CITY OF SANTA BARBARA

COUNCIL AGENDA REPORT

AGENDA DATE: September 28, 2021

TO: Mayor and Councilmembers

FROM: Henry Thompson, Airport Director

SUBJECT: Amendment Of Agreement With IN-TER-SPACE Services, Inc. DBA Clear Channel Airports For An Advertising Concession At Santa Barbara Airport

RECOMMENDATION:

That Council approve and authorize the Airport Director to amend Agreement #25,704 with IN-TER-SPACE Services, Inc. to add a month-to-month holdover provision, with a minimum six-month holdover, to the Agreement which otherwise is due to expire on September 30, 2021.

DISCUSSION:

On September 6, 2016, Council approved a five-year Concession Agreement, with a mutual five-year option to extend, with IN-TER-SPACE Services, Inc. dba Clear Channel Airports (Clear Channel) to manage an advertising program in the Airline Terminal at Santa Barbara Airport.

Prior to this Agreement, the Airport had issued a Request for Proposals (RFP) for a third-party vendor to manage the advertising concession in the Airline Terminal. Two firms responded to the RFP, however, one firm withdrew before the contract could be awarded. The Airport commenced negotiations with the remaining proposer, Clear Channel.

The Airline Terminal opened in August 2011 and did not initially have a paid advertising program. Due to the typically stable number of annual visitors, it is an industry-standard source of revenue for airports. Local companies advertise to arriving tourists as well as residents, and national brands also are featured. As part of the opportunity awarded to Clear Channel in 2016, the Airport offered a limited number of locations for digital and traditional advertising messages, and anticipated that revenues generated by the program would be relatively modest. The number of locations grew over time and interest in the program has been strong, at least in part because Santa Barbara does not have outdoor advertising other than on public transit buses.

From a passenger volume perspective, Santa Barbara Airport has developed favorably over the past five years, with the exception of the period April 2020-2021 during the height of the COVID pandemic, even though existing advertisers generally continued to honor their advertising commitments.

As passenger numbers grow, airport advertising becomes more valuable because the audience for advertisers also grows. Thus, the revenue potential for the overall program also increases. For this reason, the Airport believes that it is in its best financial interest to re-compete this opportunity now at the five-year mark, rather than execute the option.

However, the existing agreement does not contain a holdover provision to be able to continue the program on a month-to-month basis until the competitive solicitation is complete and the opportunity is awarded to either the incumbent vendor, or a competitor. This proposed amendment will add such a holdover provision to the Agreement.

BUDGET/FINANCIAL INFORMATION:

Currently, the Airport has received a maximum of \$35,000 fiscal year revenue, which represents 20% of the gross advertising sales in accordance with the terms of the existing agreement. A future competitive process would aim to achieve both higher sales volumes and a greater share of revenues.

A copy of the contract amendment is available for public review; please email DZachrisson@SantaBarbaraCA.Gov to request a copy.

PREPARED BY: Deanna Zachrisson, Business Development Manager

SUBMITTED BY: Henry Thompson, Airport Director

APPROVED BY: City Administrator's Office



CITY OF SANTA BARBARA

COUNCIL AGENDA REPORT

AGENDA DATE: September 28, 2021

TO: Mayor and Councilmembers

FROM: Harbor Operations Division, Waterfront Department

SUBJECT: Waterfront West Beach Permit Program, And Proposed Waiver Of Permit Fee For Coastal Chumash Tomol Canoe

RECOMMENDATION: That Council

- A. Receive and comment upon this Report; and
- B. Authorize the Waterfront Director to waive the West Beach Storage Permit fee of \$275 per year for the Coastal Chumash Community to store a single wooden Tomol Canoe in the West Beach Storage area.

BACKGROUND:

For over 30 years, the west end of West Beach (on the sand behind Sea Landing) has been used to store outrigger canoes. Over time, permitted uses have grown to include small sailboats, rowing dories, surf skis and small-vessel storage racks. The Waterfront Department manages the West Beach Permit Program which accommodates these vessels and racks within a limited footprint, to support beach-launched, small-craft ocean recreation.

The West Beach Permit Program serves the needs of a number of local clubs and enhances access to ocean related activities such as outrigger canoing and surf paddling. This location is in close proximity to the ocean and provides a convenient location to launch various pieces of equipment in a calm water area.

A maximum of 51 permits are available to individuals (one permit per individual) who want to store their craft on the beach, at \$275.00 per year, which breaks down as follows:

- 20 permits for sailboats and rowing dories;
- 28 permits for outriggers and surf skis;
- 2 permits for sailing outriggers, convertible to outrigger permits if unassigned; and
- 1 tomol canoe.

Outrigger canoe rack permits are also available for \$1,200.00 per year, sold only to nine clubs who were established prior to 2015. Each rack can store up to 8 craft each. The clubs also have first right of refusal to the 51 individual permits, and purchased 23 of the 51 permits in 2021. The remaining individual permits were sold to the general public.

The Waterfront Department sells annual West Beach permits on a first-come, first-served basis, beginning the second Friday of March. Typically, not all outrigger permits sell out, though occasionally they do.

DISCUSSION:

In July 2021, the Coastal Chumash Community placed a wooden Tomol Canoe in the above referenced West Beach permit area and have requested the annual fee of \$275 to be waived. As Waterfront fees are established by resolution, approved by Council, and a part of the annual budget process, it is not possible to administratively waive fees for specific groups and requires Council approval.

The current fee resolution identifies space for a single Tomol Canoe as a part of the West Beach Permit Program. If Council approves the fee waiver for this specific group (Coastal Chumash Community), the Waterfront Department will update the fee resolution accordingly for approval by Council during the next budget cycle and authorize a waiver of the fee for this fiscal year. The permit application process must still be followed even if the permit fee is waived. The Waterfront Department has not cited or sought removal of the Tomol Canoe pending resolution of this fee waiver request.

Harbor Commission considered this request at its meeting on September 16, 2021 and voted unanimously in agreeance of waiving the annual fee and forwarding this recommendation to Council.

PREPARED BY: Erik Engebretson, Harbor Operations Manager

SUBMITTED BY: Mike Witlshire, Waterfront Director

APPROVED BY: City Administrator's Office



CITY OF SANTA BARBARA

COUNCIL AGENDA REPORT

AGENDA DATE: September 28, 2021

TO: Mayor and Councilmembers

FROM: City Attorney's Office

SUBJECT: Mobilehome Park Vacancy Rent Control

RECOMMENDATION:

That Council introduce and subsequently adopt, by reading of title only, an Ordinance of the Council of the City of Santa Barbara Amending Santa Barbara Municipal Code Sections 26.08.050, 26.08.060 and 26.08.080 to Control Mobilehome and Recreational Vehicle Park Rent Increases Upon Transfer of Ownership.

EXECUTIVE SUMMARY:

The City Council referred consideration of a mobilehome vacancy control ordinance to the Ordinance Committee. The Proposed Ordinance would restore the 10% vacancy control cap found in the City's original 1984 mobilehome rent control ordinance.

On September 21, 2021, the Ordinance Committee directed submission of the proposed ordinance to Council. The Ordinance Committee directed the addition of new city attorney and park resident enforcement authority to address the relative power imbalance between park owners and park residents.

DISCUSSION:

Background

On October 20, 2020, the City Council adopted Ordinance Nos. 5967 and 5968 to create and map a Mobilehome Park Overlay Zone. The purpose of that action included protecting mobilehome parks as "unique communities that provide residents with affordable housing, including housing for low-income seniors."

During introduction of those Ordinances on October 13, 2020, the City Council directed staff to investigate re-establishment of vacancy rent control for mobilehome parks. One purpose of vacancy rent control is to prevent the loss of affordable housing through exorbitant rent increases when mobilehome park residents sell their homes. During the Council hearing, representatives of the Flamingo Mobile Home Park ownership requested stakeholder participation in future City decisions. Accordingly, staff committed, and Council understood that the City's process would include engagement with park owners to encourage wide participation in any Council action. Thereafter, the City Attorney communicated with the Flamingo Mobile Home Park ownership/management group regarding the Council's action.

On December 15, 2020, the City Council adopted interim urgency regulations to control mobilehome and recreational vehicle park rent increases, upon transfer of ownership, by limiting such increases to 10%. On January 26, 2021, the City Council extended those interim regulations until December 15, 2021.

On September 21, 2021, the Ordinance Committee heard and deliberated upon the proposed ordinance. The Ordinance Committee accepted the basic ordinance, but expressed concern that the arbitration-based enforcement mechanism could be too difficult for park residents to use to protect their interests. The Committee directed the addition of new enforcement provisions. We highly recommend the additions proposed by the Ordinance Committee to strengthen enforcement. These provisions are discussed below.

This report proposes permanent regulations to control vacancy rent increases "partially" by limiting them to 10%. This report also sets forth the proposals made by the Flamingo Mobile Home Park ownership/management group.

Legal History

Santa Barbara's original 1984 mobilehome rent control ordinance had "partial" vacancy control. Rent increases were allowed upon transfer of ownership of a mobilehome or recreational vehicle, but they were capped at 10%. In 1986, the City lost a challenge by park owner Jean Hall (Los Amigos Mobile Home Estates on North Hope Avenue) on appeal in the Ninth Circuit Court of Appeals.¹ The *Hall* case concluded that the ordinance effected a taking by a "permanent physical occupation." The Court reasoned that the

¹ *Hall v. City of Santa Barbara* (9th Cir. 1987) 833 F.2d 1270, abrogated by *Yee v. City of Escondido, Cal.* (1992) 503 U.S. 519.

City's rent control ordinance, coupled with the state Mobilehome Residency Law, allowed mobilehome owners to occupy the park owners' land permanently, and to shift substantial property value from the park owners to the mobilehome owners. In response to a pre-trial ruling in the trial court on remand from the Ninth Circuit in 1989, the City quickly repealed the vacancy control requirements on the advice of the city attorney.

Because the "physical occupation" theory of takings law is reserved for situations where the government *physically* takes private property (like a utility box on an apartment, a "per se" taking), the United States Supreme Court essentially overruled ("abrogated") *Hall* just five years later in a case out of Escondido.² That was not the end of mobilehome takings litigation, however; the battleground shifted to so-called "regulatory takings" theories in which the central inquiry on rent or vacancy control is, essentially, whether the government regulation "goes too far" and takes private property.³

The courts have tried to explain the unusual takings issues presented by mobilehomes:

"The term "mobile home" is somewhat misleading. Mobile homes are largely immobile as a practical matter, because the cost of moving one is often a significant fraction of the value of the mobile home itself. They are generally placed permanently in parks; once in place, only about 1 in every 100 mobile homes is ever moved."⁴

The immobility of mobilehomes creates an unusual impact when combined with California's Mobilehome Residency Law and local rent control ordinances.⁵ Lower space rents enhance the in-place value of a mobilehome; higher rent reduces the in-place value of a mobilehome.⁶ Post-*Hall* and the Escondido case (*Yee*), the courts have had to address whether vacancy control is a government regulation that "takes" the park owner's

² *Yee v. City of Escondido, Cal.* (1992) 503 U.S. 519, 536.

³ *Guggenheim v. City of Goleta* (9th Cir. 2010) 638 F.3d 1111, 1120.

⁴ *Yee, supra*, 503 U.S. at pp. 523–525 citing Hirsch & Hirsch, *Legal–Economic Analysis of Rent Controls in a Mobile Home Context: Placement Values and Vacancy Decontrol*, 35 UCLA L.Rev. 399, 405 (1988).

⁵ Civ. Code, §§ 798 et seq.

⁶ Kenneth K. Baar, *The Right to Sell the "Im" Mobile Manufactured Home in Its Rent Controlled Space in the "Im" Mobile Home Park: Valid Regulation or Unconstitutional Taking?* (1992) 24 Urb. Law. 157, 159.

property by shifting value to coach owners/tenants through rent control and vacancy control. Does that value shift “go too far”?

Because there is no fixed formula or equation to determine whether a rent control regulation goes too far, it is important that both rent control and vacancy control laws allow for adjustments based upon the potentially unique financial circumstances of each park owner in order to assure the opportunity to earn a fair return on their investment.

Santa Barbara’s Existing Mobilehome Rent Control Regulations

The “Mobilehome and Recreational Vehicle Park Lease Ordinance of the City of Santa Barbara” regulates mobilehome rents. Rent increases can only occur once per year, and:

“ . . . may not exceed the greater of (i) three-quarters of the percentage increase in the Consumers Price Index since the date of the last rent increase, or (ii) three percent times the number of complete months since the date of the last rent increase divided by 12.”⁷

However, in order to allow adjustments necessary to avoid unconstitutional impacts on park owners, and to protect park residents from unlawful rent increases, the municipal code also provides that:

“A rent increase in excess of that allowed under paragraph 2 of this subsection shall be allowed only to the extent it is approved by the resident or an arbitrator acting pursuant to the provisions of subsection D of this section.”

Santa Barbara’s mobilehome rent control system implements this bilateral adjustment opportunity by requiring all mobilehome leases to include an “arbitration mechanism” to resolve rent disputes.⁸ This allows park residents and park owners to resolve rent increase disputes privately, with the costs advanced by the park owner, but recoverable as an operating expense if the park owner is successful.

⁷ SBMC, § 26.08.040 C.

⁸ SBMC, §26.08.040 D; Attachment 1.

The Proposed Ordinance

The County of Santa Barbara limits mobilehome rent increases upon sale of a mobilehome to 10%.⁹ The Tenant Protection Act of 2019 provides a statewide annual rent increase limit of 5% plus CPI, with an overall 10% cap, but it did not originally apply to mobilehomes.¹⁰ Earlier this year, the state Legislature extended the Tenant Protection Act of 2019 to apply to mobilehomes with a statewide annual rent increase limit of 3% plus CPI, with an overall cap of 5%.¹¹ The updated Tenant Protection Act does not include vacancy control, but does allow local vacancy control ordinances.¹²

Around California, jurisdictions with mobilehome rent control and vacancy control have vacancy control caps in a very wide range, running the gamut from a CPI-based variable increase, to low fixed vacancy control limits of 5% in a few jurisdictions, followed by many more agencies with 10 and 15% vacancy control caps.¹³

The proposed ordinance includes a 10% vacancy control cap. The cap has the advantage of matching the caps in place in the County of Santa Barbara and Goleta. Carpinteria has total vacancy control (0% cap). It also matches the City's original 1984 vacancy control cap that was repealed following the *Hall* ruling.

As noted above, it is legally important to have some adjustment mechanism in the ordinance. The City's mobilehome rent control system is based upon the maintenance of net operating income. The park's net operating income before rent control is essentially presumed to offer a fair return on investment. Future rent increases are allowed for a variety of reasons reflecting increases in operating expenses. Santa Barbara's ordinance assumes that a rental increase equal to $\frac{3}{4}$ of the CPI (or a minimum 3% annual increase) will cover increased operating expenses. The courts have repeatedly upheld the

⁹ SB County Code of Ordinances, §11A-14.

¹⁰ Civ. Code, 1946.2.

¹¹ Statewide mobilehome rent control does not apply in jurisdictions with more restrictive local ordinances, like Santa Barbara. New Civ. Code, § 798.30.05(e)(3); [A.B. 978, c. 125 Stats 2021].

¹² New Civ. Code, §798.30.05(a)-(b); effective January 1, 2022; emphasis added.

¹³ Source: Golden State Manufactured-Home Owners League, <https://www.gsmol.org/wp-content/uploads/2021/07/California-Space-Rent-Stabilization-Ordinances-as-of-Feb-2020.pdf>

constitutionality of rent control ordinances based on the maintenance of net operating income, but have insisted that the ordinances offer the landlord a means to challenge the financial assumptions as to a fair return and to remedy any undue erosion of net operating income over time.

The proposed ordinance includes an amendment to the arbitration-based dispute resolution system. In order to assure fairness to all parties, the ordinance now makes it clear that judicial review is available following any arbitration between a park owner and resident.

Ordinance Committee Additions

As noted above, the Ordinance Committee directed additional amendments to improve the ability of residents or the City to enforce the proposed ordinance. The Committee's concern was founded upon the relative power imbalance between park owners and park residents.

In response to the Ordinance Committee's enforcement concerns, we have added three new provisions to the proposed ordinance. First, we have proposed new amendments to SBMC Section 26.08.080 that authorize the city attorney to commence enforcement actions. Second, we restored the City's ability to prosecute violations criminally, if necessary.¹⁴ Third, we added a new subsection 26.08.080 B. to provide a "treble damages" and attorneys' fees remedy for park residents who are overcharged for rent. In sum, we believe the proposed Ordinance Committee additions substantially strengthen the proposal.

Alternatives Explored

As noted earlier, mobilehomes and the pads they sit on are "complementary goods," meaning their financial value is interdependent and directly opposed, i.e. "[t]he higher the space rent the lower the mobile home value and vice versa."¹⁵ The courts recognize that one effect of lawful vacancy control is to reallocate relative value between park owners and mobilehome owners. The City Council directed enhanced civic engagement in the form of direct outreach with park owners. As a result of meetings and information sharing

¹⁴ The 1984 ordinance expressly forbids criminal enforcement.

¹⁵ Kenneth K. Baar, *The Right to Sell the "Im" Mobile Manufactured Home in Its Rent Controlled Space in the "Im" Mobile Home Park: Valid Regulation or Unconstitutional Taking?* (1992) 24 Urb. Law. 157, 159.

with the Flamingo Mobile Home Park ownership group, we examined an alternative economic approach.

Recognizing the interdependence of park owner and mobilehome owner economic interests, the Flamingo Mobile Home Park ownership group ultimately made two good faith alternative proposals which we examined and do not recommend.

Flamingo Alternative 1: Resident home values guaranteed by Flamingo ownership, no vacancy control, allowable minimum annual rent increase of 5% rather than 3%

“As a gesture of good faith and in order to protect the current residents at the park, we would be willing to guaranty the value of each current resident’s home up to the purchase price they paid when they bought the home, and all we would ask for in return is the ability to implement annual rent increases of 5% or CPI, rather than 3% or CPI as the ordinance currently states. In other words, the current residents would have peace of mind that they will not lose money on their homes, and the only change to the regulations from when we first acquired the property would be a change in the allowable annual increase from 3% to 5%. The attached analysis uses the City’s data to show that historically the rental rate for 2-bedroom units has increased by more than 5% annually between 2012 and 2020. Given that the rents in Flamingo are a fraction of market, an allowable annual increase of 5%, which is the historical growth rate for market level rents, is more than reasonable.”

Flamingo Alternative 2:

“If vacancy control is imposed, we would not want to provide any guarantees for the value of the residents’ home equity, and we would need a change in the allowable annual increase from at least 3% to at least 6%, with flexibility to increase rents on turnover by up to 20% for new tenants moving into the park. We would still be 8% under market after 20 years, according to our projections. Below is a chart in the same format we gave in the first proposal so you can compare. For full transparency, we have provided the detail behind the projections in the attached Excel file.” (Attachment 2)

While we recognize that the economic well-being of the Flamingo Mobile Home Park depends upon both the annual rent cap and vacancy control limits, the ownership group proposals would guarantee dramatic rent increases over time that may or may not be warranted by the ownership group’s need for a fair return on its reasonable, investment-back expectations. We cannot recommend this approach because it would work contrary to the stated purposes of the City’s mobilehome rent control ordinance, the “Mobilehome

and Recreational Vehicle Park Lease Ordinance of the City of Santa Barbara,” SBMC §§ 26.08.010, et seq. (Ord. No. 4285, 1984.)

ATTACHMENTS: 1. SBMC, §26.08.040 D.
 2. Flamingo Ownership Group Spreadsheet, June 2021

PREPARED BY: Ariel Calonne, City Attorney

SUBMITTED BY: Ariel Calonne, City Attorney

APPROVED BY: City Administrator's Office

Santa Barbara Municipal Code Section 26.08.040 D.

“D. ARBITRATION. A provision establishing an arbitration mechanism for resolving disputes over (i) rent increase under paragraph 3 of subsection C of this section, and (ii) any other issues which the parties agree to subject to arbitration. At a minimum, this provision shall specify as follows:

1. An impartial arbitrator shall be authorized to make final and binding decisions on disputed matters.
2. Arbitration shall be as expeditious as feasible and, whenever possible, should not exceed 60 days from the date the arbitrator is selected to the date of the arbitrator's decision.
3. In the case of rent increase disputes:
 - a. The Department shall select a qualified arbitrator and shall prepare a contract to be executed by the arbitrator and park owner; and
 - b. The costs of the arbitrator shall be (i) paid by the park owner, and (ii) considered a reasonable operating expense within the meaning of paragraph d.ix of this paragraph 3 if the arbitrator approves the requested increase or any portion thereof; and
 - c. The arbitrator shall be authorized to examine all financial data relating to the park which is relevant to the dispute, and receive testimony (oral and written) from any affected resident of the park, the park owner or their representatives at a meeting open to all park residents affected by the proposed increase; and
 - d. The arbitrator shall approve such rent increase, if any at all, as is determined to be fair, just and reasonable within five days of the close of the arbitration hearing. The arbitrator's decision shall be mailed by the Department to the park owner and the affected residents or their designated representatives. In reaching that determination, the arbitrator shall consider the following factors, in addition to any other factors he or she considers relevant:
 - i. Changes in the Consumer Price Index.

- ii. The Voluntary Pay and Price Standards promulgated by the President of the United States or any other lawfully established state or federal government wage and price guidelines.
 - iii. The rent lawfully charged for comparable spaces in the County of Santa Barbara.
 - iv. The length of time since the last rent increase for the space or spaces specified in the rent increase proposal and the length of time necessary to receive consideration by the arbitrator.
 - v. Any proposed capital improvements or rehabilitation work related to the space or spaces specified in the rent increase application, and the cost thereof, including such items as materials, labor, construction interest, permit fees and other items as the arbitrator deems appropriate.
 - vi. Changes in property taxes or other taxes related to the subject park.
 - vii. Changes in the rent paid by the park owner for the lease of the land on which the subject park is located.
 - viii. Changes in the utility charges for the subject park paid by the park owner and the extent, if any, of reimbursement from the residents.
 - ix. Changes in reasonable operating and maintenance expenses, including interest and other expenses relating to the acquisition of the land and improvements of the park.
 - x. The need for repairs caused by circumstances other than ordinary wear and tear.
 - xi. A change in the amount and quality of services provided by the park owner to the affected residents.
- e. The arbitrator shall not consider changes in operating or other expenses caused by the park owner's refinancing of the park occurring after the date of adoption of this chapter, except where the refinancing is both reasonable and necessary to make capital improvements to the park or is the result of prior financial commitments specific to the park becoming due.

f. The arbitrator may provide that an increase in rent or a portion of an increase in rent granted by the arbitrator be limited to the length of time necessary to allow the park owner to reasonably amortize the cost of a capital improvement, including interest and a reasonable profit.”

Table 3-1: Median Rent by Housing Type and Number of Bedrooms,
South Coast Region, 2012-2021

	2012	2013	2014	2015	2016	2017	2018	2019*	2020	
ALL HOUSING TYPES										
0 BR	\$1,150	\$1,150	\$1,150	\$1,288	\$1,438	\$1,495	\$1,553	\$1,520	\$1,638	4.5%
1 BR	\$1,470	\$1,375	\$1,477	\$1,650	\$1,695	\$1,750	\$2,253	\$1,875	\$1,925	3.4%
2 BR	\$2,000	\$2,200	\$2,332	\$2,500	\$2,500	\$2,550	\$2,701	\$2,695	\$2,950	5.0%
3 BR	\$2,475	\$3,100	\$3,200	\$3,950	\$3,300	\$3,700	\$3,669	\$3,900	\$4,473	7.7%
4+ BR	\$2,695	\$4,998	\$4,000	\$4,000	\$4,195	\$5,000	\$3,590	\$5,100	\$6,800	12.3%

Effective Date4/1/2021

Area Median Income:\$ 90,100

INCOME LIMITS							
<i>Income Category</i>	<i>% of Median</i>	<i>Household Size</i>					
		1 Person	2 Persons	3 Persons	4 Persons	5 Persons	6 Persons
<i>Household Size Adjustment</i>		<i>0.7</i>	<i>0.8</i>	<i>0.9</i>	<i>1</i>	<i>1.08</i>	<i>1.16</i>
Median	100%	\$ 63,070	\$ 72,080	\$ 81,090	\$ 90,100	\$ 97,308	\$ 104,516
Very Low	50%	\$ 43,750	\$ 50,000	\$ 56,250	\$ 62,450	\$ 67,450	\$ 72,450
Low	80%	\$ 70,050	\$ 80,050	\$ 90,050	\$ 100,050	\$ 108,100	\$ 116,100
Moderate	120%	\$ 75,684	\$ 86,496	\$ 97,308	\$ 108,120	\$ 116,770	\$ 125,419
Middle	160%	\$ 100,912	\$ 115,328	\$ 129,744	\$ 144,160	\$ 155,693	\$ 167,226
Upper-Middle	200%	\$ 126,140	\$ 144,160	\$ 162,180	\$ 180,200	\$ 194,616	\$ 209,032

AFFORDABLE RENTS							
Income Category	% of Median	Household Size					
		1 Person	2 Persons	3 Persons	4 Persons	5 Persons	6 Persons
Median		\$1,577	\$1,802	\$2,027	\$2,253	\$2,433	\$2,613
Very Low		\$1,094	\$1,250	\$1,406	\$1,561	\$1,686	\$1,811
Low		\$1,751	\$2,001	\$2,251	\$2,501	\$2,703	\$2,903
Moderate		\$1,892	\$2,162	\$2,433	\$2,703	\$2,919	\$3,135
Middle		\$2,523	\$2,883	\$3,244	\$3,604	\$3,892	\$4,181
Upper-Middle		\$3,154	\$3,604	\$4,055	\$4,505	\$4,865	\$5,226

PROJECTIONS DETAIL:

		3/31/2021	3/31/2021			3/31/2022			3/31/2023		
		Turnover Rent Increases capped at % of In-Place Rent	20%								
		Turnover Rent Increases of:	20%								
		Annual Rent Increases of:	6.0%								
		Estimated Market Rent:	\$1,400	\$1,400			\$1,470			\$1,544	
		Est. Market Growth Rate:	5.00%								
		% of Aver. Rent Below Market	-42%	-42%			-40.37%			-38.54%	
				1			2			3	
Current Rent			In-Place Rent	% In- crease	Rent on Turnover	In-Place Rent	% In- crease	Rent on Turnover	In-Place Rent	% In- crease	Rent on Turnover
SUMMARY:	Total	\$54,011	\$54,011		\$54,580	\$57,854	2%	\$58,732	\$62,256	2%	\$63,556
	Median	\$844	\$844	0%	\$844	\$894	0%	\$894	\$948	0%	\$948
	Average	\$806	\$806	2%	\$815	\$863	2%	\$877	\$929	2%	\$949
	1	\$365	\$365	20%	\$438	\$464	0%	\$464	\$492	0%	\$492
	2	\$492	\$492	20%	\$591	\$626	0%	\$626	\$664	0%	\$664
	3	\$492	\$492	20%	\$591	\$626	0%	\$626	\$664	0%	\$664
	4	\$492	\$492	20%	\$591	\$626	0%	\$626	\$664	0%	\$664
	5	\$492	\$492	20%	\$591	\$626	0%	\$626	\$664	0%	\$664
	6	\$510	\$510	20%	\$612	\$649	0%	\$649	\$688	0%	\$688
	7	\$535	\$535	0%	\$567	\$567	20%	\$680	\$721	0%	\$721
	8	\$602	\$602	0%	\$602	\$638	20%	\$765	\$811	0%	\$811
	9	\$606	\$606	0%	\$606	\$642	20%	\$771	\$817	0%	\$817
	10	\$791	\$791	0%	\$791	\$838	20%	\$1,066	\$1,066	0%	\$1,066
	11	\$791	\$791	0%	\$791	\$838	20%	\$1,066	\$1,066	0%	\$1,066
	12	\$816	\$816	0%	\$816	\$865	20%	\$1,038	\$1,100	0%	\$1,100
	13	\$822	\$822	0%	\$822	\$872	0%	\$872	\$924	20%	\$1,109
	14	\$822	\$822	0%	\$822	\$872	0%	\$872	\$924	20%	\$1,109
	15	\$822	\$822	0%	\$822	\$872	0%	\$872	\$924	20%	\$1,109
	16	\$822	\$822	0%	\$822	\$872	0%	\$872	\$924	20%	\$1,109
	17	\$830	\$830	0%	\$830	\$880	0%	\$880	\$933	20%	\$1,119
	18	\$833	\$833	0%	\$833	\$883	0%	\$883	\$936	20%	\$1,123
	19	\$833	\$833	0%	\$833	\$883	0%	\$883	\$936	20%	\$1,123
	20	\$833	\$833	0%	\$833	\$883	0%	\$883	\$936	0%	\$936
	21	\$833	\$833	0%	\$833	\$883	0%	\$883	\$936	0%	\$936
	22	\$833	\$833	0%	\$833	\$883	0%	\$883	\$936	0%	\$936
	23	\$840	\$840	0%	\$840	\$890	0%	\$890	\$944	0%	\$944
	24	\$840	\$840	0%	\$840	\$890	0%	\$890	\$944	0%	\$944
	25	\$844	\$844	0%	\$844	\$894	0%	\$894	\$948	0%	\$948
	26	\$844	\$844	0%	\$844	\$894	0%	\$894	\$948	0%	\$948
	27	\$844	\$844	0%	\$844	\$894	0%	\$894	\$948	0%	\$948
	28	\$844	\$844	0%	\$844	\$894	0%	\$894	\$948	0%	\$948
	29	\$844	\$844	0%	\$844	\$894	0%	\$894	\$948	0%	\$948
	30	\$844	\$844	0%	\$844	\$894	0%	\$894	\$948	0%	\$948
	31	\$844	\$844	0%	\$844	\$894	0%	\$894	\$948	0%	\$948
	32	\$844	\$844	0%	\$844	\$894	0%	\$894	\$948	0%	\$948
	33	\$844	\$844	0%	\$844	\$894	0%	\$894	\$948	0%	\$948
	34	\$844	\$844	0%	\$844	\$894	0%	\$894	\$948	0%	\$948
	35	\$844	\$844	0%	\$844	\$894	0%	\$894	\$948	0%	\$948
	36	\$844	\$844	0%	\$844	\$894	0%	\$894	\$948	0%	\$948
	37	\$844	\$844	0%	\$844	\$894	0%	\$894	\$948	0%	\$948
	38	\$844	\$844	0%	\$844	\$894	0%	\$894	\$948	0%	\$948
	39	\$844	\$844	0%	\$844	\$894	0%	\$894	\$948	0%	\$948
	40	\$844	\$844	0%	\$844	\$894	0%	\$894	\$948	0%	\$948
	41	\$844	\$844	0%	\$844	\$894	0%	\$894	\$948	0%	\$948
	42	\$844	\$844	0%	\$844	\$894	0%	\$894	\$948	0%	\$948
	43	\$844	\$844	0%	\$844	\$894	0%	\$894	\$948	0%	\$948
	44	\$844	\$844	0%	\$844	\$894	0%	\$894	\$948	0%	\$948
	45	\$844	\$844	0%	\$844	\$894	0%	\$894	\$948	0%	\$948
	46	\$844	\$844	0%	\$844	\$894	0%	\$894	\$948	0%	\$948
	47	\$844	\$844	0%	\$844	\$894	0%	\$894	\$948	0%	\$948
	48	\$844	\$844	0%	\$844	\$894	0%	\$894	\$948	0%	\$948
	49	\$844	\$844	0%	\$844	\$894	0%	\$894	\$948	0%	\$948
	50	\$844	\$844	0%	\$844	\$894	0%	\$894	\$948	0%	\$948
	51	\$844	\$844	0%	\$844	\$894	0%	\$894	\$948	0%	\$948
	52	\$844	\$844	0%	\$844	\$894	0%	\$894	\$948	0%	\$948
	53	\$844	\$844	0%	\$844	\$894	0%	\$894	\$948	0%	\$948
	54	\$844	\$844	0%	\$844	\$894	0%	\$894	\$948	0%	\$948
	55	\$844	\$844	0%	\$844	\$894	0%	\$894	\$948	0%	\$948
	56	\$846	\$846	0%	\$846	\$897	0%	\$897	\$951	0%	\$951
	57	\$846	\$846	0%	\$846	\$897	0%	\$897	\$951	0%	\$951
	58	\$846	\$846	0%	\$846	\$897	0%	\$897	\$951	0%	\$951
	59	\$846	\$846	0%	\$846	\$897	0%	\$897	\$951	0%	\$951
	60	\$846	\$846	0%	\$846	\$897	0%	\$897	\$951	0%	\$951
	61	\$846	\$846	0%	\$846	\$897	0%	\$897	\$951	0%	\$951
	62	\$846	\$846	0%	\$846	\$897	0%	\$897	\$951	0%	\$951
	63	\$846	\$846	0%	\$846	\$897	0%	\$897	\$951	0%	\$951
	64	\$902	\$902	0%	\$902	\$956	0%	\$956	\$1,013	0%	\$1,013
	65	\$955	\$955	0%	\$955	\$1,012	0%	\$1,012	\$1,073	0%	\$1,073
	66	\$1,082	\$1,082	0%	\$1,082	\$1,146	0%	\$1,146	\$1,215	0%	\$1,215
	67 \$	1,206.00	\$1,206	0%	\$1,206	\$1,278	0%	\$1,278	\$1,355	0%	\$1,355

3/31/2024			3/31/2025			3/31/2026			3/31/2027			3/31/2028			3/31/2029			3/31/2030			3/31/2031			3/31/2032		
\$1,621			\$1,702			\$1,787			\$1,876			\$1,970			\$2,068			\$2,172			\$2,280			\$2,394		
-36.67%			-34.76%			-32.82%			-30.85%			-28.84%			-26.80%			-24.95%			-27.77%			-25.97%		
4			5			6			7			8			9			10			11			12		
In-Place Rent	% In-crease	Rent on Turnover	In-Place Rent	% In-crease	Rent on Turnover	In-Place Rent	% In-crease	Rent on Turnover	In-Place Rent	% In-crease	Rent on Turnover	In-Place Rent	% In-crease	Rent on Turnover	In-Place Rent	% In-crease	Rent on Turnover	In-Place Rent	% In-crease	Rent on Turnover	In-Place Rent	% In-crease	Rent on Turnover	In-Place Rent	% In-crease	Rent on Turnover
\$67,369	2%	\$68,766	\$72,892	2%	\$74,383	\$78,846	2%	\$80,426	\$85,252	2%	\$86,927	\$92,143	2%	\$93,919	\$99,554	2%	\$101,441	\$107,528	2%	\$109,206	\$109,206	1%	\$110,359	\$116,981	2%	\$118,760
\$1,005	0%	\$1,005	\$1,065	0%	\$1,068	\$1,133	0%	\$1,270	\$1,346	0%	\$1,400	\$1,484	0%	\$1,515	\$1,606	0%	\$1,613	\$1,710	0%	\$1,710	\$1,710	0%	\$1,710	\$1,813	0%	\$1,813
\$1,006	2%	\$1,026	\$1,088	2%	\$1,110	\$1,177	2%	\$1,200	\$1,272	2%	\$1,297	\$1,375	2%	\$1,402	\$1,486	2%	\$1,514	\$1,605	2%	\$1,630	\$1,630	2%	\$1,647	\$1,746	2%	\$1,773
\$522	0%	\$522	\$553	0%	\$553	\$586	0%	\$586	\$622	0%	\$622	\$659	0%	\$659	\$698	0%	\$698	\$740	0%	\$740	\$740	20%	\$888	\$942	0%	\$942
\$704	0%	\$704	\$746	0%	\$746	\$791	0%	\$791	\$838	0%	\$838	\$888	0%	\$888	\$942	0%	\$942	\$998	0%	\$998	\$998	20%	\$1,198	\$1,269	0%	\$1,269
\$704	0%	\$704	\$746	0%	\$746	\$791	0%	\$791	\$838	0%	\$838	\$888	0%	\$888	\$942	0%	\$942	\$998	0%	\$998	\$998	20%	\$1,198	\$1,269	0%	\$1,269
\$704	0%	\$704	\$746	0%	\$746	\$791	0%	\$791	\$838	0%	\$838	\$888	0%	\$888	\$942	0%	\$942	\$998	0%	\$998	\$998	20%	\$1,198	\$1,269	0%	\$1,269
\$704	0%	\$704	\$746	0%	\$746	\$791	0%	\$791	\$838	0%	\$838	\$888	0%	\$888	\$942	0%	\$942	\$998	0%	\$998	\$998	20%	\$1,198	\$1,269	0%	\$1,269
\$729	0%	\$729	\$773	0%	\$773	\$819	0%	\$819	\$868	0%	\$868	\$920	0%	\$920	\$976	0%	\$976	\$1,034	0%	\$1,034	\$1,034	20%	\$1,241	\$1,316	0%	\$1,316
\$764	0%	\$764	\$810	0%	\$810	\$859	0%	\$859	\$910	0%	\$910	\$965	0%	\$965	\$1,023	0%	\$1,023	\$1,084	0%	\$1,084	\$1,084	0%	\$1,084	\$1,149	20%	\$1,379
\$860	0%	\$860	\$912	0%	\$912	\$966	0%	\$966	\$1,024	0%	\$1,024	\$1,086	0%	\$1,086	\$1,151	0%	\$1,151	\$1,220	0%	\$1,220	\$1,220	0%	\$1,220	\$1,293	20%	\$1,552
\$866	0%	\$866	\$918	0%	\$918	\$973	0%	\$973	\$1,031	0%	\$1,031	\$1,093	0%	\$1,093	\$1,159	0%	\$1,159	\$1,228	0%	\$1,228	\$1,228	0%	\$1,228	\$1,302	20%	\$1,563
\$1,130	0%	\$1,130	\$1,198	0%	\$1,198	\$1,270	0%	\$1,270	\$1,346	0%	\$1,346	\$1,427	0%	\$1,427	\$1,513	0%	\$1,513	\$1,603	0%	\$1,603	\$1,603	0%	\$1,603	\$1,700	20%	\$2,040
\$1,130	0%	\$1,130	\$1,198	0%	\$1,198	\$1,270	0%	\$1,270	\$1,346	0%	\$1,346	\$1,427	0%	\$1,427	\$1,513	0%	\$1,513	\$1,603	0%	\$1,603	\$1,603	0%	\$1,603	\$1,700	20%	\$2,040
\$1,166	0%	\$1,166	\$1,236	0%	\$1,236	\$1,310	0%	\$1,310	\$1,389	0%	\$1,389	\$1,472	0%	\$1,472	\$1,560	0%	\$1,560	\$1,654	0%	\$1,654	\$1,654	0%	\$1,654	\$1,753	20%	\$2,104
\$1,175	0%	\$1,175	\$1,246	0%	\$1,246	\$1,320	0%	\$1,320	\$1,400	0%	\$1,400	\$1,484	0%	\$1,484	\$1,573	0%	\$1,573	\$1,667	0%	\$1,667	\$1,667	0%	\$1,667	\$1,767	0%	\$1,767
\$1,175	0%	\$1,175	\$1,246	0%	\$1,246	\$1,320	0%	\$1,320	\$1,400	0%	\$1,400	\$1,484	0%	\$1,484	\$1,573	0%	\$1,573	\$1,667	0%	\$1,667	\$1,667	0%	\$1,667	\$1,767	0%	\$1,767
\$1,175	0%	\$1,175	\$1,246	0%	\$1,246	\$1,320	0%	\$1,320	\$1,400	0%	\$1,400	\$1,484	0%	\$1,484	\$1,573	0%	\$1,573	\$1,667	0%	\$1,667	\$1,667	0%	\$1,667	\$1,767	0%	\$1,767
\$1,175	0%	\$1,175	\$1,246	0%	\$1,246	\$1,320	0%	\$1,320	\$1,400	0%	\$1,400	\$1,484	0%	\$1,484	\$1,573	0%	\$1,573	\$1,667	0%	\$1,667	\$1,667	0%	\$1,667	\$1,767	0%	\$1,767
\$1,186	0%	\$1,186	\$1,258	0%	\$1,258	\$1,333	0%	\$1,333	\$1,413	0%	\$1,413	\$1,498	0%	\$1,498	\$1,588	0%	\$1,588	\$1,683	0%	\$1,683	\$1,683	0%	\$1,683	\$1,784	0%	\$1,784
\$1,190	0%	\$1,190	\$1,261	0%	\$1,261	\$1,337	0%	\$1,337	\$1,417	0%	\$1,417	\$1,502	0%	\$1,502	\$1,592	0%	\$1,592	\$1,688	0%	\$1,688	\$1,688	0%	\$1,688	\$1,789	0%	\$1,789
\$1,190	0%	\$1,190	\$1,261	0%	\$1,261	\$1,337	0%	\$1,337	\$1,417	0%	\$1,417	\$1,502	0%	\$1,502	\$1,592	0%	\$1,592	\$1,688	0%	\$1,688	\$1,688	0%	\$1,688	\$1,789	0%	\$1,789
\$992	20%	\$1,190	\$1,261	0%	\$1,261	\$1,337	0%	\$1,337	\$1,417	0%	\$1,417	\$1,502	0%	\$1,502	\$1,592	0%	\$1,592	\$1,688	0%	\$1,688	\$1,688	0%	\$1,688	\$1,789	0%	\$1,789
\$992	20%	\$1,190	\$1,261	0%	\$1,261	\$1,337	0%	\$1,337	\$1,417	0%	\$1,417	\$1,502	0%	\$1,502	\$1,592	0%	\$1,592	\$1,688	0%	\$1,688	\$1,688	0%	\$1,688	\$1,789	0%	\$1,789
\$992	20%	\$1,190	\$1,261	0%	\$1,261	\$1,337	0%	\$1,337	\$1,417	0%	\$1,417	\$1,502	0%	\$1,502	\$1,592	0%	\$1,592	\$1,688	0%	\$1,688	\$1,688	0%	\$1,688	\$1,789	0%	\$1,789
\$1,000	20%	\$1,200	\$1,272	0%	\$1,272	\$1,349	0%	\$1,349	\$1,430	0%	\$1,430	\$1,515	0%	\$1,515	\$1,606	0%	\$1,606	\$1,703	0%	\$1,703	\$1,703	0%	\$1,703	\$1,805	0%	\$1,805
\$1,000	20%	\$1,200	\$1,272	0%	\$1,272	\$1,349	0%	\$1,349	\$1,430	0%	\$1,430	\$1,515	0%	\$1,515	\$1,606	0%	\$1,606	\$1,703	0%	\$1,703	\$1,703	0%	\$1,703	\$1,805	0%	\$1,805
\$1,005	20%	\$1,206	\$1,278	0%	\$1,278	\$1,355	0%	\$1,355	\$1,436	0%	\$1,436	\$1,522	0%	\$1,522	\$1,613	0%	\$1,613	\$1,710	0%	\$1,710	\$1,710	0%	\$1,710	\$1,813	0%	\$1,813
\$1,005	20%	\$1,206	\$1,278	0%	\$1,278	\$1,355	0%	\$1,355	\$1,436	0%	\$1,436	\$1,522	0%	\$1,522	\$1,613	0%	\$1,613	\$1,710	0%	\$1,710	\$1,710	0%	\$1,710	\$1,813	0%	\$1,813
\$1,005	0%	\$1,005	\$1,065	20%	\$1,278	\$1,355	0%	\$1,355	\$1,436	0%	\$1,436	\$1,522	0%	\$1,522	\$1,613	0%	\$1,613	\$1,710	0%	\$1,710	\$1,710	0%	\$1,710	\$1,813	0%	\$1,813
\$1,005	0%	\$1,005	\$1,065	20%	\$1,278	\$1,355	0%	\$1,355	\$1,436	0%	\$1,436	\$1,522	0%	\$1,522	\$1,613	0%	\$1,613	\$1,710	0%	\$1,710	\$1,710	0%	\$1,710	\$1,813	0%	\$1,813
\$1,005	0%	\$1,005	\$1,065	20%	\$1,278	\$1,355	0%	\$1,355	\$1,436	0%	\$1,436	\$1,522	0%	\$1,522	\$1,613	0%	\$1,613	\$1,710	0%	\$1,710	\$1,710	0%	\$1,710	\$1,813	0%	\$1,813
\$1,005	0%	\$1,005	\$1,065	20%	\$1,278	\$1,355	0%	\$1,355	\$1,436	0%	\$1,436	\$1,522	0%	\$1,522	\$1,613	0%	\$1,613	\$1,710	0%	\$1,710	\$1,710	0%	\$1,710	\$1,813	0%	\$1,813
\$1,005	0%	\$1,005	\$1,065	20%	\$1,278	\$1,355	0%	\$1,355	\$1,436	0%	\$1,436	\$1,522	0%	\$1,522	\$1,613	0%	\$1,613	\$1,710	0%	\$1,710	\$1,710	0%	\$1,710	\$1,813	0%	\$1,813
\$1,005	0%	\$1,005	\$1,065	20%	\$1,278	\$1,355	0%	\$1,355	\$1,436	0%	\$1,436	\$1,522	0%	\$1,522	\$1,613	0%	\$1,613	\$1,710	0%	\$1,710	\$1,710	0%	\$1,710	\$1,813	0%	\$1,813
\$1,005	0%	\$1,005	\$1,065	20%	\$1,278	\$1,355	0%	\$1,355	\$1,436	0%	\$1,436	\$1,522	0%	\$1,522	\$1,613	0%	\$1,613	\$1,710	0%	\$1,710	\$1,710	0%	\$1,710	\$1,813	0%	\$1,813
\$1,005	0%	\$1,005	\$1,065	20%	\$1,278	\$1,355	0%	\$1,355	\$1,436	0%	\$1,436	\$1,522	0%	\$1,522	\$1,613	0%	\$1,613	\$1,710	0%	\$1,710	\$1,710	0%	\$1,710	\$1,813	0%	\$1,813
\$1,005	0%	\$1,005	\$1,065	20%	\$1,278	\$1,355	0%	\$1,355	\$1,436	0%	\$1,436	\$1,522	0%	\$1,522	\$1,613	0%	\$1,613	\$1,710	0%	\$1,710	\$1,710	0%	\$1,710	\$1,813	0%	\$1,813
\$1,005	0%	\$1,005	\$1,065	20%	\$1,278	\$1,355	0%	\$1,355	\$1,436	0%	\$1,436	\$1,522	0%	\$1,522	\$1,613	0%	\$1,613	\$1,710	0%	\$1,710	\$1,710	0%	\$1,710	\$1,813	0%	\$1,813
\$1,005	0%	\$1,005	\$1,065	20%	\$1,278	\$1,355	0%	\$1,355	\$1,436	0%	\$1,436	\$1,522	0%	\$1,522	\$1,613	0%	\$1,613	\$1,710	0%	\$1,710	\$1,710	0%	\$1,710	\$1,813	0%	\$1,813
\$1,005	0%	\$1,005	\$1,065	20%	\$1,278	\$1,355	0%	\$1,355	\$1,436	0%	\$1,436	\$1,522	0%	\$1,522	\$1,613	0%	\$1,613	\$1,710	0%	\$1,710	\$1,710	0%	\$1,710	\$1,813	0%	\$1,813
\$1,005	0%	\$1,005	\$1,065	20%	\$1,278	\$1,355	0%	\$1,355	\$1,436	0%	\$1,436	\$1,522	0%	\$1,522	\$1,613	0%	\$1,613	\$1,710	0%	\$1,710	\$1,710	0%	\$1,710	\$1,813	0%	\$1,813
\$1,005	0%	\$1,005	\$1,065	20%	\$1,278	\$1,355	0%	\$1,355	\$1,436	0%	\$1,436	\$1,522	0%	\$1,522	\$1,613	0%	\$1,613	\$1,710	0%	\$1,710	\$1,710	0%	\$1,710	\$1,813	0%	\$1,813
\$1,005	0%	\$1,005	\$1,065	20%	\$1,278	\$1,355	0%	\$1,355	\$1,436	0%	\$1,436	\$1,522	0%	\$1,522	\$1,613	0%	\$1,613	\$1,710	0%	\$1,710	\$1,710	0%	\$1,710	\$1,813	0%	\$1,813
\$1,005	0%	\$1,005	\$1,065	20%	\$1,278	\$1,355	0%	\$1,355	\$1,436	0%	\$1,436	\$1,522	0%	\$1,522	\$1,613	0%	\$1,613	\$1,710	0%	\$1,710	\$1,710	0%	\$1,710	\$1,813	0%	\$1

3/31/2033			3/31/2034			3/31/2035			3/31/2036			3/31/2037			3/31/2038			3/31/2039			3/31/2040		
\$2,514			\$2,640			\$2,772			\$2,910			\$3,056			\$3,209			\$3,369			\$3,538		
-23.70%			-21.38%			-19.00%			-16.59%			-14.13%			-11.64%			-9.10%			-7.56%		
13			14			15			16			17			18			19			20		
In-Place Rent	% In-crease	Rent on Turnover	In-Place Rent	% In-crease	Rent on Turnover	In-Place Rent	% In-crease	Rent on Turnover	In-Place Rent	% In-crease	Rent on Turnover	In-Place Rent	% In-crease	Rent on Turnover	In-Place Rent	% In-crease	Rent on Turnover	In-Place Rent	% In-crease	Rent on Turnover	In-Place Rent	% In-crease	Rent on Turnover
\$125,886	2%	\$128,521	\$136,232	2%	\$139,065	\$147,409	2%	\$150,431	\$159,457	2%	\$162,661	\$172,421	2%	\$175,817	\$186,366	2%	\$189,966	\$201,364	2%	\$205,191	\$217,503	1%	\$219,115
\$1,922	0%	\$1,922	\$2,037	0%	\$2,037	\$2,159	0%	\$2,166	\$2,296	0%	\$2,575	\$2,729	0%	\$2,837	\$3,008	0%	\$3,072	\$3,257	0%	\$3,271	\$3,467	0%	\$3,467
\$1,879	2%	\$1,918	\$2,033	2%	\$2,076	\$2,200	2%	\$2,245	\$2,380	2%	\$2,428	\$2,573	2%	\$2,624	\$2,782	2%	\$2,835	\$3,005	2%	\$3,063	\$3,246	1%	\$3,270
\$998	0%	\$998	\$1,058	0%	\$1,058	\$1,122	0%	\$1,122	\$1,189	0%	\$1,189	\$1,260	0%	\$1,260	\$1,336	0%	\$1,336	\$1,416	0%	\$1,416	\$1,501	0%	\$1,501
\$1,346	0%	\$1,346	\$1,426	0%	\$1,426	\$1,512	0%	\$1,512	\$1,603	0%	\$1,603	\$1,699	0%	\$1,699	\$1,801	0%	\$1,801	\$1,909	0%	\$1,909	\$2,023	0%	\$2,023
\$1,346	0%	\$1,346	\$1,426	0%	\$1,426	\$1,512	0%	\$1,512	\$1,603	0%	\$1,603	\$1,699	0%	\$1,699	\$1,801	0%	\$1,801	\$1,909	0%	\$1,909	\$2,023	0%	\$2,023
\$1,346	0%	\$1,346	\$1,426	0%	\$1,426	\$1,512	0%	\$1,512	\$1,603	0%	\$1,603	\$1,699	0%	\$1,699	\$1,801	0%	\$1,801	\$1,909	0%	\$1,909	\$2,023	0%	\$2,023
\$1,346	0%	\$1,346	\$1,426	0%	\$1,426	\$1,512	0%	\$1,512	\$1,603	0%	\$1,603	\$1,699	0%	\$1,699	\$1,801	0%	\$1,801	\$1,909	0%	\$1,909	\$2,023	0%	\$2,023
\$1,394	0%	\$1,394	\$1,478	0%	\$1,478	\$1,567	0%	\$1,567	\$1,661	0%	\$1,661	\$1,760	0%	\$1,760	\$1,866	0%	\$1,866	\$1,978	0%	\$1,978	\$2,097	0%	\$2,097
\$1,462	0%	\$1,462	\$1,550	0%	\$1,550	\$1,643	0%	\$1,643	\$1,741	0%	\$1,741	\$1,846	0%	\$1,846	\$1,957	0%	\$1,957	\$2,074	0%	\$2,074	\$2,198	0%	\$2,198
\$1,645	0%	\$1,645	\$1,744	0%	\$1,744	\$1,848	0%	\$1,848	\$1,959	0%	\$1,959	\$2,077	0%	\$2,077	\$2,201	0%	\$2,201	\$2,333	0%	\$2,333	\$2,473	0%	\$2,473
\$1,656	0%	\$1,656	\$1,756	0%	\$1,756	\$1,861	0%	\$1,861	\$1,973	0%	\$1,973	\$2,091	0%	\$2,091	\$2,217	0%	\$2,217	\$2,350	0%	\$2,350	\$2,491	0%	\$2,491
\$2,162	0%	\$2,162	\$2,292	0%	\$2,292	\$2,429	0%	\$2,429	\$2,575	0%	\$2,575	\$2,729	0%	\$2,729	\$2,893	0%	\$2,893	\$3,067	0%	\$3,067	\$3,251	0%	\$3,251
\$2,162	0%	\$2,162	\$2,292	0%	\$2,292	\$2,429	0%	\$2,429	\$2,575	0%	\$2,575	\$2,729	0%	\$2,729	\$2,893	0%	\$2,893	\$3,067	0%	\$3,067	\$3,251	0%	\$3,251
\$2,230	0%	\$2,230	\$2,364	0%	\$2,364	\$2,506	0%	\$2,506	\$2,656	0%	\$2,656	\$2,815	0%	\$2,815	\$2,984	0%	\$2,984	\$3,163	0%	\$3,163	\$3,353	0%	\$3,353
\$1,873	20%	\$2,248	\$2,382	0%	\$2,382	\$2,525	0%	\$2,525	\$2,677	0%	\$2,677	\$2,837	0%	\$2,837	\$3,008	0%	\$3,008	\$3,188	0%	\$3,188	\$3,379	0%	\$3,379
\$1,873	20%	\$2,248	\$2,382	0%	\$2,382	\$2,525	0%	\$2,525	\$2,677	0%	\$2,677	\$2,837	0%	\$2,837	\$3,008	0%	\$3,008	\$3,188	0%	\$3,188	\$3,379	0%	\$3,379
\$1,873	20%	\$2,248	\$2,382	0%	\$2,382	\$2,525	0%	\$2,525	\$2,677	0%	\$2,677	\$2,837	0%	\$2,837	\$3,008	0%	\$3,008	\$3,188	0%	\$3,188	\$3,379	0%	\$3,379
\$1,891	20%	\$2,269	\$2,405	0%	\$2,405	\$2,550	0%	\$2,550	\$2,703	0%	\$2,703	\$2,865	0%	\$2,865	\$3,037	0%	\$3,037	\$3,219	0%	\$3,219	\$3,412	0%	\$3,412
\$1,897	20%	\$2,276	\$2,413	0%	\$2,413	\$2,557	0%	\$2,557	\$2,711	0%	\$2,711	\$2,873	0%	\$2,873	\$3,046	0%	\$3,046	\$3,229	0%	\$3,229	\$3,422	0%	\$3,422
\$1,897	20%	\$2,276	\$2,413	0%	\$2,413	\$2,557	0%	\$2,557	\$2,711	0%	\$2,711	\$2,873	0%	\$2,873	\$3,046	0%	\$3,046	\$3,229	0%	\$3,229	\$3,422	0%	\$3,422
\$1,897	0%	\$1,897	\$2,010	20%	\$2,413	\$2,557	0%	\$2,557	\$2,711	0%	\$2,711	\$2,873	0%	\$2,873	\$3,046	0%	\$3,046	\$3,229	0%	\$3,229	\$3,422	0%	\$3,422
\$1,897	0%	\$1,897	\$2,010	20%	\$2,413	\$2,557	0%	\$2,557	\$2,711	0%	\$2,711	\$2,873	0%	\$2,873	\$3,046	0%	\$3,046	\$3,229	0%	\$3,229	\$3,422	0%	\$3,422
\$1,897	0%	\$1,897	\$2,010	20%	\$2,413	\$2,557	0%	\$2,557	\$2,711	0%	\$2,711	\$2,873	0%	\$2,873	\$3,046	0%	\$3,046	\$3,229	0%	\$3,229	\$3,422	0%	\$3,422
\$1,913	0%	\$1,913	\$2,028	20%	\$2,434	\$2,580	0%	\$2,580	\$2,734	0%	\$2,734	\$2,899	0%	\$2,899	\$3,072	0%	\$3,072	\$3,257	0%	\$3,257	\$3,452	0%	\$3,452
\$1,913	0%	\$1,913	\$2,028	20%	\$2,434	\$2,580	0%	\$2,580	\$2,734	0%	\$2,734	\$2,899	0%	\$2,899	\$3,072	0%	\$3,072	\$3,257	0%	\$3,257	\$3,452	0%	\$3,452
\$1,922	0%	\$1,922	\$2,037	20%	\$2,444	\$2,591	0%	\$2,591	\$2,746	0%	\$2,746	\$2,911	0%	\$2,911	\$3,086	0%	\$3,086	\$3,271	0%	\$3,271	\$3,467	0%	\$3,467
\$1,922	0%	\$1,922	\$2,037	20%	\$2,444	\$2,591	0%	\$2,591	\$2,746	0%	\$2,746	\$2,911	0%	\$2,911	\$3,086	0%	\$3,086	\$3,271	0%	\$3,271	\$3,467	0%	\$3,467
\$1,922	0%	\$1,922	\$2,037	0%	\$2,037	\$2,159	20%	\$2,591	\$2,746	0%	\$2,746	\$2,911	0%	\$2,911	\$3,086	0%	\$3,086	\$3,271	0%	\$3,271	\$3,467	0%	\$3,467
\$1,922	0%	\$1,922	\$2,037	0%	\$2,037	\$2,159	20%	\$2,591	\$2,746	0%	\$2,746	\$2,911	0%	\$2,911	\$3,086	0%	\$3,086	\$3,271	0%	\$3,271	\$3,467	0%	\$3,467
\$1,922	0%	\$1,922	\$2,037	0%	\$2,037	\$2,159	20%	\$2,591	\$2,746	0%	\$2,746	\$2,911	0%	\$2,911	\$3,086	0%	\$3,086	\$3,271	0%	\$3,271	\$3,467	0%	\$3,467
\$1,922	0%	\$1,922	\$2,037	0%	\$2,037	\$2,159	20%	\$2,591	\$2,746	0%	\$2,746	\$2,911	0%	\$2,911	\$3,086	0%	\$3,086	\$3,271	0%	\$3,271	\$3,467	0%	\$3,467
\$1,922	0%	\$1,922	\$2,037	0%	\$2,037	\$2,159	20%	\$2,591	\$2,746	0%	\$2,746	\$2,911	0%	\$2,911	\$3,086	0%	\$3,086	\$3,271	0%	\$3,271	\$3,467	0%	\$3,467
\$1,922	0%	\$1,922	\$2,037	0%	\$2,037	\$2,159	20%	\$2,591	\$2,746	0%	\$2,746	\$2,911	0%	\$2,911	\$3,086	0%	\$3,086	\$3,271	0%	\$3,271	\$3,467	0%	\$3,467
\$1,922	0%	\$1,922	\$2,037	0%	\$2,037	\$2,159	20%	\$2,591	\$2,746	0%	\$2,746	\$2,911	0%	\$2,911	\$3,086	0%	\$3,086	\$3,271	0%	\$3,271	\$3,467	0%	\$3,467
\$1,922	0%	\$1,922	\$2,037	0%	\$2,037	\$2,159	20%	\$2,591	\$2,746	0%	\$2,746	\$2,911	0%	\$2,911	\$3,086	0%	\$3,086	\$3,271	0%	\$3,271	\$3,467	0%	\$3,467
\$1,922	0%	\$1,922	\$2,037	0%	\$2,037	\$2,159	20%	\$2,591	\$2,746	0%	\$2,746	\$2,911	0%	\$2,911	\$3,086	0%	\$3,086	\$3,271	0%	\$3,271	\$3,467	0%	\$3,467
\$1,922	0%	\$1,922	\$2,037	0%	\$2,037	\$2,159	20%	\$2,591	\$2,746	0%	\$2,746	\$2,911	0%	\$2,911	\$3,086	0%	\$3,086	\$3,271	0%	\$3,271	\$3,467	0%	\$3,467
\$1,922	0%	\$1,922	\$2,037	0%	\$2,037	\$2,159	20%	\$2,591	\$2,746	0%	\$2,746	\$2,911	0%	\$2,911	\$3,086	0%	\$3,086	\$3,271	0%	\$3,271	\$3,467	0%	\$3,467
\$1,922	0%	\$1,922	\$2,037	0%	\$2,037	\$2,159	20%	\$2,591	\$2,746	0%	\$2,746	\$2,911	0%	\$2,911	\$3,086	0%	\$3,086	\$3,271	0%	\$3,271	\$3,467		

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ORDINANCE NO. _____

AN ORDINANCE OF THE COUNCIL OF THE CITY OF
SANTA BARBARA AMENDING SANTA BARBARA
MUNICIPAL CODE SECTIONS 26.08.050, 26.08.060 AND
26.08.080 TO CONTROL MOBILEHOME AND
RECREATIONAL VEHICLE PARK RENT INCREASES
UPON TRANSFER OF OWNERSHIP

THE CITY COUNCIL OF THE CITY OF SANTA BARBARA DOES ORDAIN AS
FOLLOWS:

SECTION 1. Findings and Determinations.

A. The City Council finds and determines as follows:

1. When enacted in 1984, the City's mobilehome rent control system included "vacancy control" in the form of a 10% limit on rent increases when mobilehomes transfer ownership. This limited or partial vacancy control created an opportunity for park owners to impose an extra 10% rent hike, in addition to the annual rent increases that expressly assure park owners "a fair return on their investment and the continuing ability to maintain their parks."

2. The City Council repealed the 10% vacancy control limitation in 1989, as a direct result of the Ninth Circuit Court of Appeals decision in *Hall v. City of Santa Barbara* (9th Cir. 1987) 833 F.2d 1270. This meant that park owners could impose an extra rent increase of any amount upon transfers of mobilehome ownership.

3. The *Hall* case was abrogated by the United States Supreme Court in *Yee v. City of Escondido, Cal.* (1992) 503 U.S. 519. As a result, the legal premise for repeal of the City's original 10% vacancy control has been finally rejected by the courts.

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4. The City Council wishes to restore the 10% vacancy control limitation as a result of recent evidence of that some park owners, despite the City's legal assurance of their right to a fair return on their investment, are using the current vacancy decontrol in a manner that will undermine the purposes of the City's mobile home rent control regulations.

B. The City Council confirms the findings and determinations in the City's 1984 Mobilehome and Recreational Vehicle Park Lease Ordinance (Ord. No. 4285) as expressed in Santa Barbara Municipal Code Section 26.08.020:

“A. The City Council finds and determines that there is a critical shortage of low and moderate income housing within the City and on the south coast of Santa Barbara County.

“B. The City Council further finds and determines that mobilehome parks and recreational vehicle parks (also known as trailer parks) are a significant part of the remaining supply of low and moderate income housing in the City, and are frequently occupied by residents on a permanent basis. Many of the residents of these facilities are senior citizens on fixed incomes or other persons with limited economic means.

“C. The City Council further finds and determines that rent increases in mobilehome and recreational vehicle parks represent a significant threat to the continued ability of park residents to afford to maintain residency in such parks. The economic impact of unaffordable rent increases on park residents is much more severe than rent increases on

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other tenants inasmuch as many park residents own their mobilehomes, recreational vehicles or trailers and, if forced to move because of rent increases, must bear the additional and substantial burden of paying to move those vehicles or mobilehomes to another site. There are very few places on the south coast of Santa Barbara County to which such mobilehomes or vehicles can be moved.

“D. The purpose of this chapter is therefore to regulate the rent charged for mobilehome and recreational vehicle spaces used on a permanent basis to prevent severe and inordinate rent increases, to protect certain persons of limited economic means from the disruption and expense of relocation and to provide increased certainty to park residents of their ability to maintain their current status while at the same time providing park owners with a fair return on their investment and the continuing ability to maintain their parks.”

SECTION 2. Section 26.08.050 of Chapter 26.08 of Title 26 of the Santa Barbara Municipal Code is amended to read as follows:

26.08.050 Lease Negotiation; Arbitration.

A. MANDATORY PROVISIONS. The park owner shall offer each resident a lease which contains each of the provisions specified in Section 26.08.040, and which complies with Section 26.08.060, except to the extent that the parties have voluntarily agreed to modify or waive any such provision. The parties shall bargain in good faith to reach agreement on the language used to express the mandatory provisions, and shall submit

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any dispute which remains after such bargaining to arbitration as set forth in Subsection C of this section. These provisions shall be identified in the lease as “mandatory provisions.”

B. OPTIONAL PROVISIONS. The lease may contain any additional provisions to which the parties agree. Either party may propose inclusion of optional provisions. The parties shall bargain in good faith with respect to the inclusion of any such optional provisions and shall submit any dispute which remains after such bargaining to arbitration as set forth in Subsection C below. The arbitrator may impose on the parties any optional provisions which the arbitrator finds will render the lease reasonable, equitable and consistent with other leases commonly used in similar facilities. These provisions shall be identified in the lease as “optional provisions.”

C. ARBITRATION. Any disputes arising between a park owner and resident under this Section shall be deemed submitted to arbitration upon the expiration of 60 days after commencement of negotiations. Either party may request arbitration. The arbitrator shall be selected as set forth in Section 26.08.040.D. The costs of the arbitrator shall be paid by the park owner. One half of such costs shall be considered a reasonable operating expense under Section 26.08.040.D.3.d.ix. The arbitrator shall render a decision within 30 days, and the decision shall be final and binding upon the parties. The arbitrator’s decision shall be supported by substantial evidence and applicable law.

D. JUDICIAL REVIEW. A park owner or resident may seek judicial review of any arbitrator’s decision under this chapter. The award may be vacated upon judicial review if it is not supported by substantial evidence or based on applicable law.

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SECTION 3. Section 26.08.060 of Chapter 26.08 of Title 26 of the Santa Barbara Municipal Code is amended to read as follows:

26.08.060 Rent Increase Upon Transfer of Ownership.

If a space is voluntarily vacated by all the existing tenants as a result of a transfer of legal ownership of the mobilehome or recreational vehicle, and it is not removed from the space, then the rent may be increased by no more than 10%. A park owner may increase space rent in any amount when a mobilehome is abandoned in-place, as defined in Civil Code Section 798.61.

SECTION 4. Section 26.08.080 of Chapter 26.08 of Title 26 of the Santa Barbara Municipal Code is amended to read as follows:

26.08.080 Enforcement.

A. RENT INCREASES. A park owner may not collect rent in excess of the rent most recently and lawfully charged for a park space until (i) a lease is executed by both parties with respect to that space, or (ii) a resident fails to execute a lease in a form approved by the arbitrator within 30 days of the arbitrator's decision, which failure shall constitute a waiver by the resident of his or her rights under this chapter.

B. DAMAGES. Any person who demands, accepts or retains any payment of rent in violation of the provisions of this chapter shall be liable in a civil action to the person from whom such payment is demanded, accepted or retained for damages in the sum of three (3) times the amount by which the payment or payments demanded, accepted, or retained exceed the maximum rent which could lawfully be demanded, accepted or retained together with reasonable attorneys' fees and costs as determined by the court.

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CB. COURT ORDER. Either party or the city attorney may bring an action in the Superior Court compelling the other party or the arbitrator to comply with the terms of this chapter. ~~Violation of this chapter shall not be a misdemeanor, nor punishable by the imposition of civil penalties.~~

D. CITY ENFORCEMENT. The City Attorney is authorized to enforce this Chapter through administrative, civil, or criminal action. The City Attorney is further authorized to bring actions for injunctive relief on behalf of the city.

SECTION 5. Severability. It is hereby declared to be the intention of the City Council that the phrases, clauses, sentences, paragraphs, and sections of this Ordinance are severable, and if any phrase, clause, sentence, paragraph, or section of this Ordinance should be declared unconstitutional by the valid judgment or decree of any court of competent jurisdiction, such unconstitutionality shall not affect any of the remaining phrases, clauses, sentences, paragraphs, or sections of this Ordinance, since the same would have been enacted by the City Council without incorporation in this Ordinance of such unconstitutional phrases, clauses, sentences, paragraphs, or sections.

SECTION 6. CEQA Determination. This Ordinance will not result in a direct or reasonably foreseeable physical change in the environment and is therefore not subject to the California Environmental Quality Act. (CEQA Guidelines §§ 15060 (c), 15061(b)(3).)